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ABSTRACT

The Farmers and Ranchers Demonstration Project, funded by the Economic Dislocation and Workers Adjustment Act, provided funding for employment and training services to dislocated and at-risk farmers and ranchers and their dependents and employees in four states (Iowa, Minnesota, North Dakota, and South Dakota) from July 1, 1990 to September 30, 1993. The project was evaluated through several case study visits made to each of the demonstration projects and to four projects with similar goals in neighboring states. Some of the major findings of the evaluation were the following: (1) the demonstration projects met their recruitment goals, enrolling 1,476 persons; (2) enrollment was heavily dependent on recruitment efforts; (3) farmers and ranchers at risk of dislocation comprised the majority of participants, reflecting the program's focus of averting dislocations; (4) participants reported severe financial distress despite their high levels of education and off-farm jobs; (5) more than 80 percent of participants received retraining; (6) many participants remained enrolled for a long time, reflecting generous funding; (7) 3 months after finishing the program, more than 50 percent of participants were still farming, but only 37 percent were still farming 1 year later; (8) two-thirds of participants were engaged in off-farm employment after termination, but many of them had been employed before they entered the program; and (9) there is no evidence that any projects were more effective than others. The following recommendations were made: aggressive outreach is necessary for enrolling farmers into job-training programs, programs should be coordinated, case-management models are suited for serving farmers and ranchers, employment and training services for farmers should be continued, and the goals of employment and training programs and ranchers should be clarified. (The report includes participation data collection and analysis information, and supplemental case studies. Contains 47 references.) (KC)

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Serving Dislocated Farmers: An Evaluation of the EDWAA Farmers And Ranchers Demonstration

Research and Evaluation Report Series 94-C

U.S. Department of Labor
Robert B. Reich, Secretary

Employment and Training Administration
Doug Ross, Assistant Secretary

Office of Policy and Research
Raymond J. Uhalde, Deputy Assistant Secretary
1994

Research and Evaluation Report Series

The Research and Evaluation Report Series presents information about and results of projects funded by the Office of Policy and Research (OPR) of the U.S. Department of Labor's Employment and Training Administration. These projects deal with a wide range of training, employment, workplace literacy, labor market, and related issues.

This report in the series was prepared under Department of Labor Contract No. 99-1-3229-71-036-01 by: Berkeley Planning Associates (BPA), Oakland, California, and Social Policy Research Associates (SPR), Menlo Park, California. Principal authors were Mary G. Visher and Stephen Walsh, BPA, and Ronald D'Amico, SPR; assisting in preparation were Kevin Rogers, Eric Sloan, Connie Uratsu, Liz Wiegardt, Sasha Gottfried, and Patricia Spikes-Calvin. Daniel Ryan was OPR's project officer, and William Saupe and Priscilla Salant served as consultants.

Contractors conducting research and evaluation projects under Federal sponsorship are encouraged to express their own judgement freely. Therefore, this report does not necessarily represent the official opinion or policy of the Department of Labor.

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The Authors

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Executive Summary

This volume concludes the evaluation of the Farmers and Ranchers Demonstration Project under the Economic Dislocation and Workers Adjustment (EDWAA) Act. The demonstration was administered by the U.S. Department of Labor (DOL) through grants to four states, which were charged with developing innovative strategies for providing employment and training services to dislocated and at-risk farmers and ranchers, their spouses and dependents, and farmhands. Funding for the projects -- which operated in Iowa, Minnesota, North Dakota and South Dakota -- began on July 1, 1990 and ended on September 30, 1993. A separate contract was awarded in April 1991 to Berkeley Planning Associates (BPA) and its subcontractor Social Policy Research Associates (SPR) to conduct an evaluation of the effectiveness of the various strategies utilized by the demonstrations.

The results of this evaluation are based on several case study visits made to each of the demonstration projects and to four projects with similar goals in neighboring states. The evaluation also relied on participant-level data containing baseline information for nearly all demonstration participants and more detailed information for substantial subsets. The evaluation activities associated with the collection and analysis of these data took place between April 1991 and December 1993.

BACKGROUND

Trends in Farm and Ranch Dislocation

During the farm financial crisis of the 1980s, as many as 10% of the nation's farms disappeared within just a few years. Between 1982 and 1987 alone, approximately 153,000 American farms went out of business. These declines, however, are rather small by historical standards; urbanization and agricultural consolidation have led to the loss of more than 4 million American farms over the past 60 years. Correspondingly, the proportion of the nation's population living on farms has declined from nearly 50% at the turn of the century to just under 2% currently.

Against this background the farm crisis of the 1980s appears unexceptional, but in certain regards it stands out from earlier periods of agricultural dislocation. In particular, farm exits in the 1950s and 1960s, in contrast to those of the 1980s, were

often voluntary. As agricultural productivity increased and overcapacity diminished financial returns, operators of smaller and less efficient farms left farming to pursue more attractive non-farm opportunities.

During the 1980s even efficient farmers and operators of mid-sized farms were at risk, and involuntary exits were much more common. These more efficient farmers had borrowed heavily in the 1970s to expand their operations, but found themselves badly overextended during the farm credit crisis of the 1980s. Farmers who left farming in the 1980s did so not to pursue more attractive opportunities, but because they were forced to. In addition, they often left farming with enormous debts that limited their non-farm opportunities. While the scope of farm losses in the 1980s was not exceptional, the impact of dislocation on farmers and communities may have been more severe than in earlier decades.

Regardless of the cause, farm dislocation is a chronic feature of American agriculture. According to government forecasts, between 209,000 and 341,000 fewer farmers (18 to 30%) are expected to be employed in the year 2000 than were in 1988. The consequences of these dislocations for many agriculturally-dependent communities are dire; without jobs, and with sharply diminished populations, the long-term survival of agriculturally-dependent communities is uncertain at best. Although the lessons from the EDWAA Farmers and Ranchers Demonstration will not reverse this trend, they may provide guidance for a policy response towards meeting the employment and training needs of dislocated farmers.

MAJOR FINDINGS FROM PARTICIPANT-LEVEL DATA

Enrollment

- **The demonstration projects met their recruitment goals, enrolling 1,476 individuals over a 39-month period, despite the well-known reluctance of farmers to participate in employment and training programs.**

Enrollments across the four demonstration states ranged between 318 and 498. In the first few months of the demonstration enrollments rose slowly, but eventually reached a steady pace. In the final months of the demonstration enrollments dropped, in anticipation of the end of funding.

- **The progress of the four projects in enrolling participants over time seemed closely related to outreach efforts: increased use of specialized outreach staff led to increased enrollments.**

During the first year of the demonstration the South Dakota project lagged well behind the others, but increased its enrollments dramatically by hiring specialized outreach staff (and expanding eligibility rules) during the project's second year.

Participant Characteristics

- **Individuals at risk of dislocation comprised the majority of participants served under the demonstration.**

Three out of four demonstration participants surveyed identified themselves as "primarily" farmers or ranchers in the twelve months prior to enrollment. Dislocated individuals, by contrast, comprised only about ten percent of all participants. These proportions may reflect the unofficial priority of the demonstration projects to avert farm dislocations by serving at-risk farmers.

- **Demonstration participants commonly reported severe financial distress despite their high levels of education and off-farm jobs.**

Ninety-five percent of participants possessed a high school degree, and over half had received some post-secondary education. In addition, about 30 percent of farmers and over one-half of farm spouses reported working off-farm prior to enrollment. But despite their high levels of education and attempts to earn supplementary income, over half reported family incomes of less than $10,000 in the prior year, three out of four reported debt-asset ratios greater than 40 percent (a level indicative of a high risk of dislocation), and almost half reported instances of not having enough money to buy groceries.

- **Except for their occupations, demonstration participants tended to be similar to non-farm EDWAA participants served in the same areas.**

Both groups were overwhelmingly white, young to middle-aged, tended to have high school degrees or some secondary education, infrequently had basic skills deficiencies, and were rarely single heads of households.

- **The projects frequently served several members of the same family, in keeping with both eligibility guidelines and the recognition that the loss of a farm often places the whole family in need of assistance.**

In Iowa, over 40 percent of participants were served along with another member of their family. The percentages were lower elsewhere, but still exceeded 20 percent. Farmlands, however, were rarely served by the demonstration projects, reflecting the projects' focus on farmers and their families, and perhaps the availability of other JTPA programs for this population.

Services

- **Over 80 percent of demonstration participants received retraining of some kind.**

In every project except North Dakota participants were more likely to receive retraining than mainstream EDWAA participants. In addition to retraining, demonstration participants also had access to the full range of EDWAA services.

- **Many participants remained enrolled for a long period of time, reflecting relatively generous demonstration funding, and the projects' efforts to provide substantial assistance to farmers.**

Even in South Dakota, the project with the shortest average length of participation, almost one in four clients participated for more than a year. In Minnesota, 40 percent of participants were enrolled for more than one year.

- **The projects varied greatly in their use of funds, and on average expenditures per participant.**

Per client expenditures were lowest in South Dakota at $1,700; intermediate in North Dakota, at about $3,000; and highest in Iowa and Minnesota, at about $3,700. Iowa devoted far more resources to basic readjustment assistance than the other projects, reflecting the importance accorded to recruiting and counseling participants. By contrast, Minnesota and South Dakota spent over 70 percent of their funds on retraining.

Outcomes

- **Three months after terminating from the demonstration over 50 percent of participants were still farming.**

In part this finding reflects the projects' efforts to prevent farm dislocation. One year later, however, only 37 percent were still farming, suggesting that displacement from farming was in some cases forestalled only temporarily. Among those who continued to farm, many reported substantial increases in total income, suggesting that

their farms may have rebounded from their earlier difficulties, or that their off-farm incomes had increased.

- **Two-thirds of participants were engaged in off-farm employment after termination, but many of these individuals had been employed before they entered the program.**

Although participating in the demonstration appears to have increased employment rates, as well as hours worked and hourly wages, these gains were modest. One year later, rates of off-farm employment remained virtually unchanged.

- **After controlling for participant characteristics, there is no evidence that some projects were more effective than others in boosting off-farm employment.**

Similarly, evidence that retraining as opposed to basic readjustment assistance only boosted off-farm employment and earnings is equivocal at best.

POLICY IMPLICATIONS

The findings discussed above were based on participant-level data, and depict important features of the EDWAA Farmers and Ranchers Demonstration. But in addition to these data the evaluation relied on numerous, in-depth discussions with project administrators, staff, task force members, service providers, and participants. Both types of data, qualitative and quantitative, underlie the implications discussed below.

Implications for Service Providers

The EDWAA Farmers and Ranchers Demonstration provided ample opportunity for conclusions regarding services to farmers and ranchers.[1] Major implications for service providers include the following:

- **Aggressive outreach is a necessity for enrolling farmers into JTPA programs.**

[1]Employment and training services are discussed further throughout this volume, but are the particular subject of an additional report completed as part of this evaluation. See *From the Farm to the Job Market: A Guide to Employment and Training Services for Farmers and Ranchers.*

Projects neglecting outreach experienced low enrollments until they added outreach staff. Substate areas or other service providers designing programs for farmers would be well advised to start by hiring or training specialized outreach staff.

- **Although outreach deserves special attention in programs for farmers and ranchers, its importance should not be overemphasized.**

In general, prolonged efforts to recruit individual clients do not significantly affect a program's overall enrollments or outcomes, and can take resources away from more productive uses, such as retraining.

- **JTPA programs that seek to serve farmers have much to gain from coordination.**

Linkages with local lenders and Agricultural Mediation programs, for example, can greatly enhance outreach efforts. In addition, linkages with community service organizations, or with Agriculture Credit Counseling programs, can extend the range of services available to farmer clients.

- **Case management models appear well-suited to programs serving farmers and ranchers.**

Like other populations of service recipients, farmers respond well to the ongoing relationships and personal support made possible by a case management approach. Case management seems most critical for farmers early in the service process, when they are still overcoming their reluctance to participate.

- **Mainstream EDWAA retraining services appear to be at least as appropriate for farmers as they are for other dislocated workers.**

Farmers often prove themselves to be model participants, and once enrolled, typically complete their retraining programs. Negative terminations of farmers and ranchers are relatively rare.

Implications for Policy Makers

Policy makers responsible for designing future programs for farmers and ranchers may benefit from the lessons for service providers presented above, but should also take note of several additional conclusions from the evaluation:

- **The number of American agricultural producers will continue to decline, and any response to this decline should be ongoing.**

Farm dislocation is a persistent feature of the agricultural economy. Accordingly, the policy response to this trend should be far-sighted. Although *ad hoc* responses to extraordinary farm dislocations (such as those due to natural disasters) should continue to be available, employment and training services for dislocated farmers are best provided for in ongoing programs.

- **Employment and training providers require assistance in assessing the need for services to farmers and ranchers.**

Most substate grantees are unaware of the extent of farm dislocation in their region, have no means of measuring it, and rely instead on anecdotal appraisals of need. State JTPA programs and substate grantees should be encouraged to seek assistance from agricultural organizations in order to target resources to the areas which can most benefit from them.

- **The goals of employment and training programs for farmers and ranchers need to be clarified by policy makers.**

Although the demonstration projects were operated by dislocated worker programs, they served relatively few dislocated workers, concentrating instead on farmers at risk of dislocation, and on "saving the family farm." This orientation led the projects to offer services and pursue outcomes not normally encountered in dislocated worker programs. Future efforts to serve farmers in employment and training programs should be aware of this possibility, and should clarify goals, eligibility guidelines, allowable services, and desired outcomes at the outset.

I. Introduction

This report concludes the evaluation of the Economic Dislocation and Workers Adjustment Assistance (EDWAA) Act Farmers and Ranchers Demonstration. The Farmers and Ranchers Demonstration was authorized by the U.S. Congress under Section 324 of EDWAA in 1988,[1] and was initiated by the Department of Labor on July 1, 1990, with grants to four states. These grants provided for employment and training services to dislocated and at-risk farmers and ranchers, spouses and dependents, and farmhands. The purpose of the evaluation has been to assess the need for services to this population, assess the effectiveness of strategies developed by demonstration projects, and disseminate the findings to an audience of policy makers and practitioners.

The EDWAA Farmers and Ranchers Demonstration was conceived at the height of the farm crisis of the mid-1980's. Rising interest rates and plummeting commodity prices, combined with severe declines in land values, caught many American farmers off guard, and placed them at risk of losing their farms. Major droughts in sections of the Midwest during the late 1980's compounded these difficulties. Circumstances have changed considerably in the time period since the beginning of the demonstration. Commodity prices and land values have risen gradually, and consecutive seasons of strong harvests buoyed the confidence of many in the Midwest who look to agriculture as a means of support. The torrential rains of the 1993 growing season, however, seriously challenged this progress. All four states served by the demonstration -- Iowa, Minnesota, North Dakota, and South Dakota -- suffered tremendous crop and soil losses, and are likely to feel the effects of the rains for years to come.

Periodic downturns and upturns, however, should not mask the broader structural changes occurring in American agriculture. Since the 1920's the number of farms has been steadily decreasing while the average size of farms has been increasing. These trends have been present for nearly three-quarters of a century and show no signs of abatement. Regardless of commodity prices or the success of next year's crop, farmers will continue to face the risk of dislocation and will require assistance from the employment and training system.

[1] P.L. 100-418, 102 STAT. 1524 et seq.

BACKGROUND

The U.S. Department of Labor (DOL) funded four proposals under the EDWAA Farmers and Ranchers Demonstration. The projects that were selected for funding were FARM/WORKS in Iowa, The Dislocated Farmers Project in Minnesota, the Farmer/ Rancher Demonstration project in North Dakota, and the Agricultural Community in Transition project in South Dakota. Funding for the first phase of the demonstration began July 1, 1990 and ran until September 30, 1991. All but the South Dakota program requested and received renewals of their grants for a second phase of funding, lasting until the end of September 1992. South Dakota was permitted, however, to carry over unobligated funds from the first phase for services under the second phase. A third phase of funding extended all four demonstration projects through September 1993.

Berkeley Planning Associates (BPA) and its subcontractor Social Policy Research Associates (SPR) were awarded the contract to conduct an evaluation of the demonstration in April 1991.[2] Over the next three months (nearly one year after the demonstration projects opened their doors to farmers), BPA/SPR researchers conducted site visits to all four states. During this first round of visits, site visitors spent one week in each state, with one to two days devoted to interviews with state-level respondents and the rest of the time spent conducting interviews and observations at the local level. In addition to interviewing administrative and on-line staff, the site visitors spoke with respondents from a wide range of organizations and groups that either coordinated with the project or were familiar with the farming community and the needs of farm families. These respondents included representatives of lending institutions, county Extension agents, the Farmers' Union, the Farm Bureau, faculty and staff at vocational technical colleges, agricultural mediators, Legal Services staff, Job Service staff, academics and, of course, many demonstration participants themselves.

A second round of visits, lasting about four days each, occurred during the Fall of 1991. During these visits, BPA/SPR staff conducted interviews with administrators, staff and other individuals to identify and document changes since the first visit in the overall design and operation of each project. A follow-up data collection form was also introduced, and relevant project or JTPA/MIS staff were trained in its use. A second data collection instrument allowing longer-term follow-up was introduced in late 1992.

[2]From April 1991 to January 1992, SRI International was the subcontractor to BPA. After January 1992, individuals at SRI who were employed on the subcontract joined a new firm, SPR, and the subcontract was transferred to SPR.

The third and final round of visits to demonstration projects took place in the Summer of 1993, with individual visits lasting three to four days. BPA and SPR staff conducted final interviews with program administrators and staff to again identify and document changes in program activities, but also to determine what lessons had been learned over the course of the demonstration. In addition to these activities, the research team maintained regular contact with demonstration staff via monthly telephone conversations. Quarterly progress reports submitted to DOL by the demonstrations were also carefully reviewed.[3] These data collection activities provided the information upon which this report is based.

STRUCTURE OF THE REPORT

The report is organized as follows:

- Chapter II sets the context for the evaluation of the demonstration projects by outlining trends in farm dislocation, especially in the states with programs included in this study. The chapter begins by examining the farm financial crisis of the mid-1980s, a unique period in agricultural history that directly affected the existence and design of the demonstration projects. The chapter then assesses the universe of need for employment and training services for farmers by estimating current and future numbers of farmers at risk of dislocation.

- Chapter III completes the background for the evaluation by describing the history of employment and training programs for farmers in the last few decades, leading up to the launching of the EDWAA Farmers and Ranchers Demonstration in 1990.

- Chapter IV describes the demonstration projects.

- Chapters V and VI present the results of an intensive analysis of quantitative data produced for this study.

[3]In addition to these data collection efforts BPA and SPR staff completed two visits to each of four additional projects serving farmers and ranchers in Kansas, Missouri, Nebraska, and Wisconsin. These projects received no demonstration funds, but were visited to increase our knowledge of services appropriate to the farm and ranch population. For descriptions of these projects see Appendix B.

- Chapter VII draws on the qualitative and quantitative information presented in the previous chapters to assess the effectiveness of strategies used in the demonstration. We focus on the ability of the programs to promote their services effectively, establish cooperative relationships with other institutions in the community, enroll participants, and provide retraining or other services that have the potential to make a difference in the lives of farmers.

- Chapter VIII completes the report with conclusions from the evaluation and recommendations for the Department of Labor, and reviews issues that may interest policy makers.

II. The Farm Crisis and the Demonstration States

The 1980s were watershed years for American agriculture. After a period of relative prosperity, a severe financial crisis struck farms and ranches across the nation. Just as total farm debt peaked at the beginning of the decade, export markets weakened, commodity prices and net farm income declined, and land values plummeted. As a consequence, many farmers found themselves saddled with dangerously high levels of debt and diminished earning opportunities. Ultimately, many would be forced to give up their farms. Farmers in midwestern states, including the states in which demonstration and supplemental case study programs operated, were particularly affected.

In this chapter, we set the context for the evaluation of the EDWAA Farmers and Ranchers Demonstration projects by briefly reviewing these developments and suggesting the magnitude of the farmer and rancher dislocation problem. Specifically, our objectives are to:

- Describe briefly the factors that led to the farm financial crisis of the mid-1980s,
- Present evidence on the magnitude of the exodus from agriculture during this period and discuss which types of farm operations were most likely to experience financial distress, and
- Cast the farm exodus of the 1980s in historical context by describing past and projected future trends.

In so doing, we focus especially on data and trends for the demonstration and supplemental case study states and make comparisons to the U.S. as a whole wherever possible.

THE FARM FINANCIAL CRISIS OF THE 1980s

The decade of the 1980s began on a high note for American agriculture, with farm communities brimming with optimism for the future. The previous decade

generally had been quite favorable. Agricultural exports had expanded dramatically during the 1970s, fueled by worldwide food shortages and the declining value of the dollar (Harl, 1990; Leistritz and Murdock, 1988). In 1970 the value of agricultural exports stood at $7.3 billion; by 1981 the value rose nearly sixfold to over $43 billion (U.S. Bureau of the Census, 1991; Table 1150). Partly as a consequence, prices for farm commodities also rose appreciably, and land values soared.

Buoyed by these developments, many farmers took advantage of low interest rates to expand production by investing in new machinery and expanding their land holdings. The combined value of farm operators' real estate and non-real estate debt rose nearly fourfold, from $53 billion in 1970 to $195 billion by 1981 (U.S. Bureau of the Census, 1991; Table 1124). Only the simultaneous rapid rise in the value of real estate and other assets kept the aggregate farm debt/asset ratio in check.

But the first half of the 1980s witnessed a remarkable turnabout in these trends, when suddenly the bubble of economic good times burst. As detailed by Harl (1990) and Leistritz and Murdock (1988), a number of factors worked in tandem to produce this reversal. Expanded production overseas and U.S. economic policies that caused the value of the dollar to rise against other currencies made U.S. agricultural products less attractive overseas. As a result, exports of most agricultural commodities declined dramatically from 1981 to 1985. Correspondingly, the index of prices received also began to decline, while the index of prices paid continued upward unabated. Meanwhile, federal macroeconomic policies caused real interest rates to rise to unprecedented levels.

Perhaps most significantly, real estate values plummeted, as farm land became a relatively poor investment. From a peak of over $850 billion in 1981, the value of farm land fell to about $600 billion midway through the decade. Although the amount of real estate and non-real estate debt had leveled off at just under $200 billion, the declining value of real estate substantially weakened farmers' equity positions, and farm debt/asset ratios rose to alarmingly high levels for many farmers.

As a result of these developments, many farmers found it increasingly difficult to service debt and meet the other cash expenses of their farm operations (Stam, et al., 1991; Leistritz and Murdock, 1988). Lenders, in turn, became much more cautious in making farm loans as the decade progressed, making it difficult for farmers who already were highly leveraged or who were experiencing net income shortfalls to secure the additional financing they needed to see themselves through the hard times (Leistritz and Murdock, 1988). The consequence of these interrelated developments was, in the words

of Stam, et al. (1991; p. 4), "the most severe financial stress for the farm sector since the Great Depression of the 1930's."

FARM EXITS AND THE NET CHANGE IN FARM NUMBERS

Rate of Involuntary Exits

Faced with difficulty in meeting their loan obligations, farmers followed a number of approaches to improve their financial position, including reducing costs (e.g., reducing their use of farm inputs, delaying purchases of needed equipment, reducing family living expenses), increasing the value of sales (e.g., improving farm management to increase yields), restructuring liabilities (e.g., deferring payments or renegotiating the loan), or liquidating some assets (Leistritz and Murdock, 1988). If all these proved insufficient, the farmer may have had to cease farming.

Accurate and complete national data on the number of farmers who exited farming for financial reasons do not exist. However, analyses conducted by the U.S. Department of Agriculture suggest an estimate of between 200,000 to 300,000 such exits over the period from 1980-88, or roughly 10% of all farms (Deavers, 1989). Elsewhere, independent results from the American Bankers Association midyear survey of farm banks (Stam, et al., 1991) and longitudinal studies of farmers conducted in Wisconsin, Georgia, and North Dakota (Bentley and Saupe, 1990; Bentley, et al., 1989) suggest that stress-induced farm exit rates during the peak of the crisis may have reached about 2 to 4% per year. Each of these studies used different questionnaires and sampling frames and thus are not strictly comparable. Nonetheless, taken together they suggest that substantial numbers of farmers were affected by the farm crisis of the 1980s, and that these effects were felt in diverse geographic areas, and in farm communities with very different characteristics.

Net Change in Farm Numbers During the 1980s

If comprehensive data on the number of involuntary exits from farming are hard to come by, a comparison of the most recent waves of the Census of Agriculture, conducted in 1982 and again in 1987, at least provides a comprehensive nationwide accounting of the change in farm numbers over this time.

The relationship between the net change in farm numbers and farm financial distress is uncertain at best. To begin with, net change is composed of both exits and

entrants. Even if many operators left farming for financial or other reasons, the net change in farm numbers could be small if the number of persons who entered agriculture was about the same as the number who left.

Additionally, in times of financial distress the rate of voluntary exits might fall while the rate of involuntary exits rises, leaving the overall exit rate -- and the net change in farm numbers if the rate of entrance remains constant -- nearly unchanged. For example, the fall in real estate values that occurred during the eighties might have induced many farmers who were contemplating exiting voluntarily (e.g., to retire or pursue non-farm employment) to remain in agriculture a while longer in hopes that their asset values would rebound (Gale and Henderson, 1991).

Despite these limitations, the net change in farm numbers provides at least a lower-bound estimate of the number of operators who discontinued farming (for whatever reason) and hints at the impacts that might be felt in farming communities. With this in mind, Figure II-1 shows the net change in farm numbers from 1982 to 1987, nationwide and for the four demonstration and four supplemental case study states. According to these data, there were about 2.1 million farms in the U.S. in 1987. This figure represents about 153,000 fewer farms than the number just five years earlier, or 6.8% of the 1982 total.[1] The dropoff was especially steep in Iowa, Minnesota, and Wisconsin, which saw declines of from 8 to 10%. By contrast, the rates were below average in the Dakotas, which saw a net decline of from 2 to 3%, and Nebraska, which actually saw a small increase in farm numbers over these years.

Net Change in Historical Perspective

Despite the changes suggested by having as many as 10% of farms disappear within just five years, these declines are rather meager by historical standards. Indeed, a massive consolidation of farmland has caused the number of farms in the U.S. to decline by more than 4 million over the last 60 years, and the percent of the nation's population living on farms has fallen from nearly 50% at the turn of the century to just under 2% currently (U.S. Bureau of the Census, 1975, Series K1-16 and U. S. Bureau of the Census, 1991, Tables 19 and 1108).

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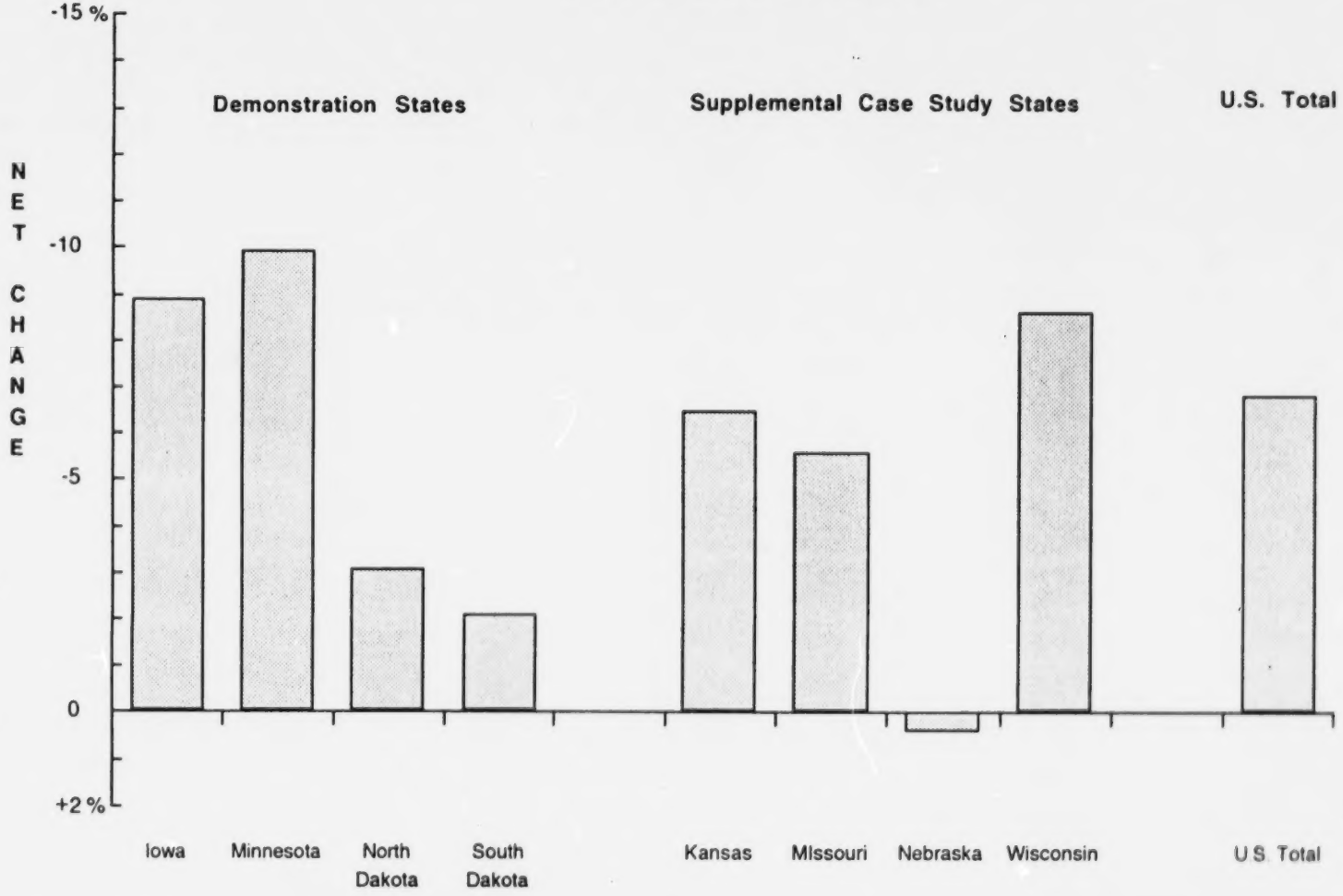
[1] These numbers are based on the definition of a farm that has been used by the Census of Agriculture since 1974. Specifically, a farm is defined to be any place from which $1,000 or more of agricultural products were sold, or normally would have been sold during the census year. Control of the farm may have been exercised through ownership or through a lease, rental, or cropping arrangement.

Figure II-1
Farm Losses by State, 1982-87



Source: *1987 Census of Agriculture: United States Summary and State Data.*

Nationwide, as Figure II-2 shows, exits from agriculture reached flood-like proportions during the years immediately following World War II.[2] In the years from 1954 to 1964, the average net decline was 162,400 farms annually, or about 3.4% a year. Thereafter, the floodgate gradually began to close until, during the boom years of the 1970s, the net decline was under 10,000 farms annually, with the 0.4% average annual decline by far the lowest since the Great Depression. With the farm financial crisis of the 1980s, however, the pace of decline again accelerated.

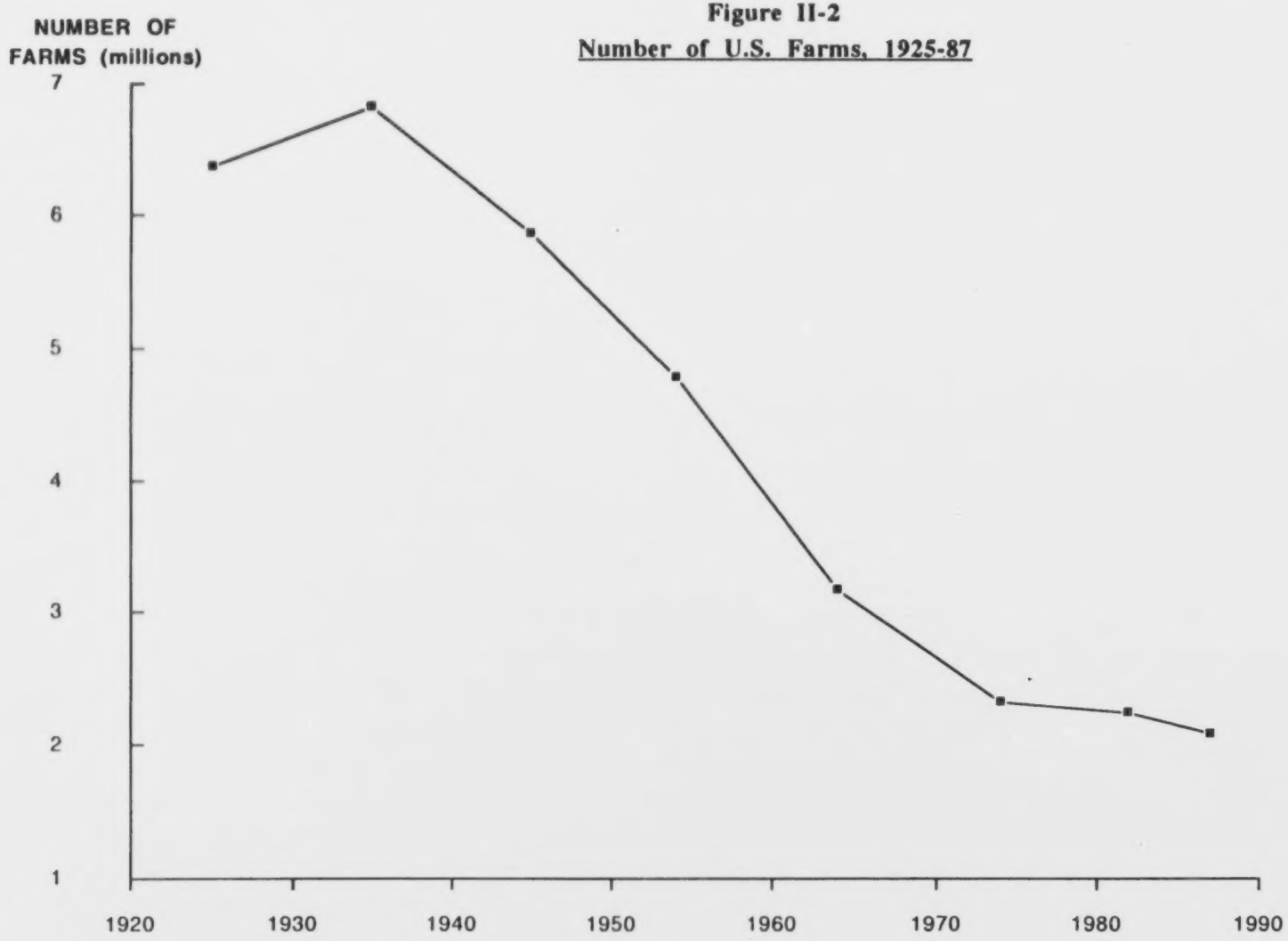
Table II-1 shows that this pattern repeated itself in the demonstration and supplemental case study states. As with the U.S. as a whole, the falloff in the numbers of farms and the rate of decline were greatest from 1954 to 1964, slowed during the next two decades, and then began to accelerate again during the mid-1980s.

Taken as a whole, the changes to the landscape implied by Table II-1 are astounding. Given that total acreage in farming held fairly steady (U.S. Bureau of the Census, 1975 and 1989), the dramatic decline in the number of farms implied that farm communities had become much more sparsely populated and the average farm's size had grown substantially. Table II-2 records this development for the U.S. and for each of the eight states in which demonstration and supplementary case study programs operated. In the nation as a whole, average acreage per farm more than tripled, from 145 acres in 1925 to 462 acres in 1987. This trend towards farm consolidation occurred in each of the eight states under scrutiny in this report, although with important variation. For example, because of climate and soil that are less favorable for growing crops, the Dakotas started out in 1925 with an average farm acreage that already was much larger than that reached by several other states over 60 years later.

[2]One difficulty with over-time comparisons is that the Census Bureau's definition of a farm has changed. Effective with the 1974 Census of Agriculture, for example, a farm was defined as any place from which $1,000 or more of agricultural products were produced and sold or normally would have been sold during the census year. This definition is still in effect. From 1959 to 1969, however, a more complicated formula that considered both acreage and the value of sales was used. Before 1959, a different definition was used, and so on. Because the numbers reported in Figure II-2 use whatever definition of a farm was in place at the time, at least some of the change in farm numbers may be simple artifacts of measurement. For example, Stam, et al. (1991) suggest that about 20% of the net decline in farm numbers from 1954 to 1959 results from definitional changes. Finally, as long as the value of sales is used as a component of the farm definition, changes in commodity prices alone can cause the number of farms to vary, even if the definition of a farm remains unchanged.

Figure II-2

Number of U.S. Farms, 1925-87



Source and notes: See Table II-1.

Table II-1

Number of Farms and Average Annual Change, 1925-87

Census Year	U.S. Total			Total for Demonstration and Supplementary Case Study Sites		
	Number of Farms (1,000)	Average Annual Change		Number of Farms (1,000)	Average Annual Change	
		1,000	%		1,000	%
1925	6,372	--	--	1,304	--	--
1935	6,812	44.0	0.7	1,380	7.6	0.6
1945	5,859	-95.3	-1.4	1,211	-16.9	-1.2
1954	4,782	-119.7	-2.0	1,060	-16.8	-1.4
1964	3,158	-162.4	-3.4	802	-25.8	-2.4
1974	2,314	-84.4	-2.7	-662	-14.0	-1.7
1982	2,241	-9.1	-0.4	611	-6.4	-1.0
1987	2,088	-30.6	-1.4	572	-7.8	-1.3

Sources: *Historical Statistics of the United States, Colonial Times to 1970* (U.S. Bureau of the Census, 1975; Series K1-16); *County and City Data Book 1983* (U.S. Bureau of the Census, 1983; Table A), and *1987 Census of Agriculture, Vol. 1 Part 51* (U.S. Bureau of the Census, 1989; Chapter 2, Table 52).

Note: Average annual change is computed as the change in the number of farms since the preceding census year shown, divided by the number of years elapsed. This figure is then divided by the number of farms in the base year to arrive at the average annual rate of change. In interpreting these numbers, note that farms in Hawaii are not included in the tabulations before 1964 and that the census definition of a farm has changed several times during the last half-century (but not since 1974).

Table II-2

Average Acreage Per Farm, 1925-87

	1925	1935	1945	1954	1964	1974	1987	Percent Increase, 1925-87
U.S. Total	145	155	195	242	352	440	462	318.6
Demonstration States								
Iowa	156	155	165	177	219	262	301	192.9
Minnesota	160	161	175	195	235	280	312	195.0
North Dakota	452	462	590	676	875	992	1,143	252.9
South Dakota	403	445	626	719	917	1,074	1,214	301.2
Supplemental Case Study States								
Kansas	264	275	344	416	544	605	680	257.6
Missouri	125	126	145	170	222	258	275	220.0
Nebraska	329	349	427	471	596	683	749	227.7
Wisconsin	113	117	133	147	172	197	221	195.6

Source: *Historical Statistics of the United States, Colonial Times to 1970* (U.S. Bureau of the Census, 1975; Series K17-81), *County and City Data Book 1977* (U.S. Bureau of the Census, 1978; Table 1); and *1987 Census of Agriculture*, Vol. 1, Part 51 (U.S. Bureau of the Census, 1989; Chapter 2, Table 1).

WHAT MADE THE 1980s DIFFERENT?

The decline in farm numbers that occurred in earlier decades -- during the 1950s and 1960s, for example -- reflected a reallocation of labor out of farming and into sectors where returns to labor were higher. Technological advances in farming greatly increased productivity, leading to overcapacity and increases in the size of the farm that could be efficiently operated by a single farmer. In general, farmers of smaller and less efficient farms were the ones who exited agriculture during these years in favor of more attractive non-farm employment opportunities (Stam, et al., 1991).

During the farm financial crisis of the 1980s, the exodus from agriculture was often very different. In this period, often the more efficient rather than the less efficient farmers were displaced (Harl, 1990). Farmers who used credit to expand operations in the boom years of the 1970s to take advantage of economies of scale found themselves badly overextended in the 1980s when higher costs, lower commodity prices, rising interest rates, and declining land values undermined the debt-carrying capacity of their farms.

Those left vulnerable were very often younger farmers, who were just starting to accumulate the capital needed for their farms' operations and who had not yet had time to build up equity (Harl, 1990; Leistritz and Murdock, 1988). The Wisconsin longitudinal study, for example, shows that 60% of those who involuntarily exited farming began farming in the 1970s or early 1980s (Bentley and Saupe, 1990), which, as we have discussed, was an era of rapidly rising real estate values and high commodity prices. Presumably, many young farmers borrowed heavily to establish themselves during these heady years and were highly vulnerable when real estate and commodity prices tumbled.

Also in contrast to earlier decades, when the nation's smallest farms were most in decline, operators of mid-sized farms were more likely to be vulnerable during the 1980s, because expansion to improve efficiency and earnings power was a primary objective of many farm operations in this size category (Leistritz and Ekstrom, 1988; Reimund and Brooks, 1990). At one extreme, the half of America's farms with annual sales of less than $10,000 were relatively unaffected, because these farms, which can generate at best very limited net farm incomes, are typically run part-time or as a hobby (hence, the term hobby farms); many small farmers thus have substantial off-farm incomes, and do not depend on farming for their livelihood. At the other extreme, operators of the nation's largest farms are also believed to have been less affected.

Constituting a small in number but thriving sector of American farming, large farms typically have assets ranging into the millions of dollars, giving them the financial wherewithal to weather short-term crises.

By contrast, mid-sized farms are often too large to permit their operators extensive off-farm employment, but too small to generate farm incomes and profits sufficient to support family. Accordingly, operators of many farms in this size class aggressively expanded their operations during the boom years of the 1970s to improve their farms' income position. The turnaround of farm financial conditions early in the 1980s left these mid-sized farms badly overextended.

The shift out of farming in the 1980s was different from earlier decades also because push rather than pull factors had become much more important. In the decades following World War II, when massive numbers were leaving farming, alternative opportunities for employment were very attractive. The economy as a whole was growing steadily, and relatively well-paying manufacturing jobs requiring only modest skill levels from workers were fairly plentiful. Under these circumstances, farmers of smaller, less efficient farms often had strong inducements to give up farming to seek employment elsewhere.

More recently, by contrast, many farmers running efficient mid-sized farms have found themselves squeezed out of farming at a time when alternative opportunities are scarce, particularly in non-metropolitan areas. Moreover, the occupations with the greatest growth require fairly well developed technical skills (Hudson Institute, 1987), making the transition from a farm to an off-farm career even more difficult. Given this trend, displaced and at-risk farmers face a pressing need for readjustment and retraining services.

ESTIMATING NUMBERS OF FARMERS AT RISK

Evidence from several sources, including survey data compiled by the American Bankers Association and statistics from the U.S. Department of Agriculture's Economic Research Service (ERS), suggests that the farm financial crisis peaked midway through the 1980s and began to abate gradually thereafter. This gradual improvement should not obscure the chronic crisis in the farm sector. Substantial numbers of the nation's farmers remain severely financially distressed and stand at great risk of dislocation. This point is made clear in results compiled by ERS, using survey data from its Farm Costs and Returns Survey (FCRS). The FCRS is conducted annually with a nationwide probability

sample of over 26,000 farmers and ranchers who are surveyed with multiple questionnaire versions regarding their production expenses, farm revenues and assets, liabilities, production practices, and other farm operating characteristics. Using these data, ERS has constructed a typology designed to summarize the financial health of farm businesses. The typology has four categories:

- Favorable - Farms with a debt/asset ratio of no more than .40 and with positive net farm income,

- Marginal income - Farms with a debt/asset ratio of no more than .40 and with negative net farm income,

- Marginal solvency - Farms with a debt/asset ratio of more than .40 and with positive net farm income, and

- Vulnerable - Farms with a debt/asset ratio of more than .40 and with negative net farm income.

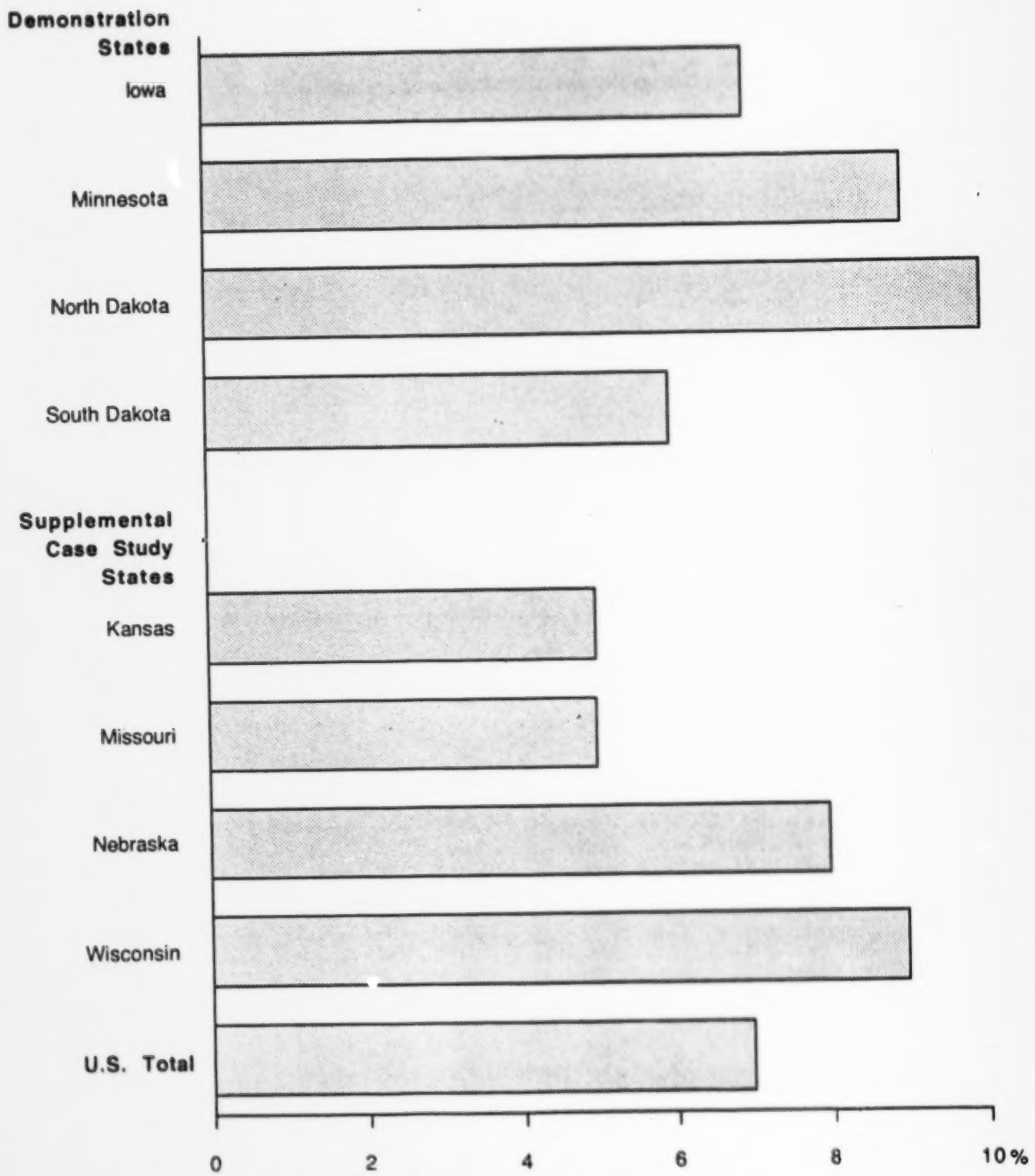
These categories are simplifications and not all farms designated as vulnerable will necessarily cease operations in the immediate future. Some farmers may be able to forestall their exit for years, for example, while others may recover entirely. Nonetheless, by combining data on farm assets and debts and income, the typology developed by ERS provides a useful gauge of the financial health of the farm sector (for more details about the survey and the typology, see Morehart, Johnson, and Banker, 1989).

Employing this typology, Figure II-3 shows that 7% of the nation's farms were classified as vulnerable in 1988. Thus, roughly 150,000 farms nationwide are in serious financial jeopardy. In none of the eight case study states is the percentage vulnerable smaller than 5%, and as many as 10% of North Dakota's farms are so classified. These figures make clear that, however much the financial crisis of the 1980s may have eased, it has by no means passed.

But beyond the current farm financial crisis, the force behind this century's decline in farm numbers has been agriculture's dramatically improved productivity and worldwide production overcapacity. This force is still with us. Indeed, recent technological and biotechnological developments (e.g., somatropin) are likely to aggravate this situation (McClelland, 1990).

Figure II-3

Percent of Farms Classified as Vulnerable, 1988



Source: *1988 Farm Costs and Returns Survey Data: Selected State and Region.*

Note: Farms are classified as vulnerable when their debt/asset ratio exceeds .40 and their net farm income is negative.

Reflecting these considerations, the U.S. Department of Labor's Bureau of Labor Statistics (BLS) has forecast continued contraction in the farm sector into the next century. As Table II-3 shows, BLS forecasts that between 209,000 and 341,000 fewer farmers will be employed in the year 2000 than were employed in 1988. This represents a decrease of 18 to 30% over just these twelve years.

A small number of farmers displaced from farming may find alternative employment as farm managers, who are expected to increase in number in keeping with the trend towards larger farms. However, increased economies of scale and further technological developments also are projected to bring about a fall in the number of farm workers of from 8 to 25%.

In total, these projections speak of a steady transformation in farm communities and continued dislocation. Both the short- and longer-term projections imply a continued exodus, and one that will have important repercussions on the demographic, social, and economic make-up of the farm communities. With these developments in mind, Murdock, et al. (1988) concluded that, without effective intervention, "many agriculturally dependent areas may experience such pervasive patterns of decline that the human resource base essential to redevelop these areas could be permanently depleted" (p. 168). Under these circumstances, the lessons learned from the EDWAA Farmers and Ranchers Demonstration projects will provide essential guidance in suggesting an effective federal response.

Table II-3

Actual 1988 and Projected 2000 Employment in Select Agricultural Occupations

Occupation	Total Employment (Thousands)				Employment Change, 1986-2000					
	1988	Projected, Year 2000			Number (Thousands)			Percent		
		Low	Med.	High	Low	Med.	High	Low	Med.	High
Farmers	1,141	800	875	932	-341	-266	-209	-29.9	-23.3	-18.3
Farm managers	131	146	160	177	15	29	46	11.5	22.1	35.1
Farm workers	938	717	785	863	-221	-153	-75	-23.6	-16.3	-8.0

Source: *Outlook 2000* (U.S. Bureau of Labor Statistics, 1990).

Note: Numbers are in thousands. Persons are classified based on their primary occupation.

III. Early Programs For Dislocated Farmers

As discussed in the previous chapter, dislocation has been a theme of American farming since the early part of this century. For almost 60 years, consolidation in the farm sector has displaced farmers, ranchers, their families, and their employees. Although training programs responding to this dislocation cannot claim as long a history as agricultural concentration, forerunners of the EDWAA Farmers and Ranchers Demonstration operated throughout the 1980s, with some going back as far as the early 1970s.

Farm and ranch dislocation has also been an increasing concern of the Job Training Partnership Act. When the Act was first implemented, many states were uncertain whether this group would even be eligible for services under JTPA. But in the ten years since the act was passed, interpretations by states, clarifications by the Department of Labor, and amendments by Congress have all affected the treatment of farmers and ranchers under JTPA.

This chapter explores the history of federal employment and training programs for persons dislocated from agriculture, both prior to and under JTPA. The first section reviews programs which preceded JTPA in the 1960s and 1970s. The second section examines the changes made to JTPA to better accommodate the dislocated farmer and rancher population. It also addresses the legislative background to the current Farmers and Ranchers Demonstration. Finally, the third section looks at precursors to the current round of demonstration programs, including some which were active in the same states now participating in the demonstration.

EMPLOYMENT AND TRAINING PROGRAMS BEFORE JTPA

Employment and training services for dislocated farmers have a long history in the United States. Agencies like the Farm Labor Service and its successor, the Rural Manpower Service, brought employment and training services to rural areas as far back as the Great Depression. But these small, rural-focused programs bear little resemblance to the programs which superseded them.

Federal employment and training efforts underwent enormous change during the 1960s. The passage of the Manpower Development and Training Act (MDTA) in 1962 and the Economic Opportunity Act (EOA) in 1964 signaled an increased federal interest in employment and training, and led to greater funding for such services. Yet while these new programs expanded federal employment and training services, they offered little new assistance to rural areas, or to dislocated farmers in particular. Both MDTA and EOA were criticized in their time for favoring urban areas while neglecting rural ones.[1] Despite these criticisms, some services to rural residents were pioneered under these programs. For example, the director of North Dakota's Farmer/Rancher Project cited his experience with a rural MDTA program in the early 1970s as an inspiration for the design of his state's current demonstration.[2]

Congress replaced MDTA with the Comprehensive Employment and Training Act of 1973 (CETA), but dislocated farmers did not fare much better under this new program. Although CETA transferred responsibility for planning and administering employment and training programs from the federal government to state and local governments, no new programs were created for dislocated farmers. Even special CETA programs for selected populations tended to neglect rural areas and farmers. One demonstration in 1977 funded 82 special projects, but only four projects in rural areas, and none for persons leaving agriculture.[3] CETA did allow prime sponsors in some rural areas to experiment with services to dislocated farmers, but without greater federal direction, these efforts were necessarily small-scale.

Federal involvement in employment and training expanded greatly in the 1960s and 1970s, but the programs arising from this expansion offered few services for persons leaving agriculture. Although these decades witnessed the introduction of several new employment and training programs, dislocated farmers and ranchers did not benefit from this new policy focus.[4] As Chapter II has shown, farm dislocation has been a feature of

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[1]Abt Associates, *New Approaches to CETA Training: An Overview of the Title III National Program for Selected Population Segments*, U.S. DOL, Employment and Training Administration, R&D Monograph 69, 1979, p. 125.

[2]James J. Hirsch, in-person interview, June 10, 1991.

[3]Abt Associates, pp. 152-154.

[4]William E. Saupe and Priscilla Salant, *Programs and Policies to Assist Displaced Farmers*, National Commission for Employment Policy, 1988, p. 23.

American agriculture since early in the century. Employment and training responses to this issue have lagged behind.

THE LEGISLATIVE RESPONSE TO FARM/RANCH DISLOCATION

When the Job Training Partnership Act was formally implemented on October 1, 1983, the eligibility of dislocated farmers and ranchers for JTPA services was a matter of interpretation. Although Title III of the Act qualified laid-off, or dislocated workers, for JTPA services, it said nothing about the status of formerly self-employed persons, such as dislocated farmers. Under Title II-A of the Act, farmers might become eligible by reason of economic disadvantage, but definitional issues associated with the income test employed for this title excluded many dislocated farmers.[5]

Fortunately for dislocated farmers and ranchers, JTPA also gave state governors considerable authority in interpreting the program's regulations. The State of Iowa responded to the omission of farmers under JTPA's eligibility regulations by interpreting the failure of a farm as a plant closure, thus making dislocated farmers eligible under Title III. Reacting to the farm financial crisis, Iowa made this interpretation official in July 1984, nine months after JTPA took effect, and Minnesota opted to serve farmers under Title III at about the same time.[6] Several other states followed Iowa's and Minnesota's leads, and joined these states' attempts to gain clarification from the U.S. Department of Labor on the issue of farmers' eligibility for JTPA. DOL responded with Training and Employment Information Notice No. 43-84 in April, 1985, which announced DOL's interpretation that serving dislocated farmers under Title III "would

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[5]Title II-A eligibility hinges on income earned during the six months prior to application for JTPA, and it was the timing of this period which made many farmers ineligible for services. Unlike wage earners (the intended beneficiaries of Title II-A), farmers frequently earn most of their income for the year during a single brief period following the annual harvest. When harvest takes place in the six-month window prior to the farmer's application for JTPA, his or her income for that six-month period may exceed JTPA guidelines. Averaged over twelve months, the farmer's income might be low enough to qualify him or her for JTPA, but the six-month window mandated by the Act disqualifies many needy farmers. Several farm state legislators sought to amend JTPA during the 1980s to extend the window from six months to twelve, but their efforts were unsuccessful.

[6]Statement by Senator Charles E. Grassley, *Job Training Partnership Act and Farmers, Hearing Before the Subcommittee of the Committee on Government Operations*, House of Representatives, 99th Congress, 1st Session, November 15, 1985, p. 12. (U.S. Government Printing Office, Washington, 1986.)

not be inconsistent with the Act and applicable rules and regulations."[7] Within a year, 21 states had modified their eligibility rules to serve this population better.[8]

Amendments to JTPA in 1986 formalized this interpretation.[9] Subsequent regulations further expanded eligibility for Title III to include self-employed persons who were in the process of going out of business.[10] This new definition was especially relevant for determining eligibility for farmers and ranchers, since the dissolution of a farm business often occurs over a period of several years. The regulations also expanded eligibility to include family members working on the farm. Finally, the new regulations specified a long list of criteria under which a farm or ranch operation could be defined as going out of business.[11]

With the passage of the Omnibus Trade and Competitiveness Act of 1988, the Economic Dislocation and Worker Adjustment Assistance (EDWAA) Act set the stage for yet another change in the treatment of dislocated farmers and ranchers under Title III.[12] Most significantly, EDWAA changed the way states distribute funds to substate areas, adding farmer-rancher economic hardship criteria (and several other new factors)

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[7]U.S. DOL, *Training and Employment Information Notice No. 43-84*, April 26, 1985.

[8]National Governors' Association Center for Policy Research, *Implementing the Job Training Partnership Act; Information Exchange*, April 16, 1986, p. 2.

[9]P.L. 99-496, 100 STAT. 1264.

[10]20 CFR 631.30(b)(2) [4-1-88].

[11]These criteria included many of the same eligibility tests applied under the EDWAA Farmers and Ranchers Demonstration projects, such as the issuance of a notice of foreclosure or intent to foreclose, the failure to return a profit in the twelve months prior to application, filing for bankruptcy, inability to obtain an operating loan, a debt-asset ratio sufficiently high to indicate likely insolvency, and unspecified other events indicative of likely insolvency. (Regulations implemented after the passage of EDWAA in 1988 deleted this list, making such eligibility tests subject to state discretion.)

[12]P.L. 100-418, 102 STAT. 1524 et seq.

to states' allocation formulas.[13] In addition, subsequent regulations have again expanded eligibility, this time to include workers on failing farms.[14]

The EDWAA legislation also made possible the Farmers and Ranchers Demonstration. Under EDWAA, Congress authorized DOL to fund and evaluate two demonstration programs from a list of four.[15] DOL selected the Farmers and Ranchers Demonstration from this list, and awarded the initial grants to states on July 1, 1990.

JTPA PROGRAMS FOR FARMERS AND RANCHERS

National Discretionary-funded Programs

The EDWAA Farmers and Ranchers Demonstration is the first legislatively-mandated employment and training program for persons leaving agriculture -- the U.S. Congress has authorized no other. Yet throughout the 1980s, the U.S. Department of Labor provided national discretionary funding to a variety of state and SSA-level programs for the thousands of dislocated farmers and ranchers affected by that decade's farm crisis. Proposals for these programs were initiated at the state and SSA levels, and were typically funded by DOL for a period of one to two years. For almost ten years, DOL's primary mechanism for addressing farm dislocation has been national discretionary funding.[16]

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[13]Despite the addition of this factor to Title III formulas, some states still give farmer-rancher economic hardship scant consideration in their allocations. The first two volumes of a recent study on the implementation of EDWAA found that many states assigned a low or zero weight to this factor, frequently citing the difficulty of obtaining appropriate data on farmer-rancher hardship. Thirty percent of all the states surveyed in this study assigned a zero weight to the farmer-rancher hardship factor during the first year of EDWAA, and the factor received the lowest average weight overall (5.9%). See *Study of the Implementation of the Economic Dislocation and Worker Adjustment Assistance Act*, SRI International and Berkeley Planning Associates, U.S. Department of Labor, Research and Evaluation Report Series 91-G, 1992, pp. III-16,17; and *Study of the Implementation of the Economic Dislocation and Worker Adjustment Assistance Act - Phase II: Responsiveness of Services*, Social Policy Research and Berkeley Planning Associates, U.S. Department of Labor, Research and Evaluation Report Series 93-A, 1993, pp. II-2,3.

[14]20 CFR 631.3(d)(3) [4-1-91].

[15]The original list of four included a self-employment opportunity demonstration, a public works employment demonstration, a dislocated farmer demonstration, and a job creation demonstration. In addition to the Farmers and Ranchers Demonstration, DOL funded both the Job Creation Demonstration, which emphasizes self-employment as a job creation strategy, and a public works employment demonstration.

[16]See Saupe and Salant for descriptions of several programs receiving such funding.

DOL began to fund programs for farmers shortly after the implementation of JTPA in 1983, at the beginning of the farm crisis. In PY 1984, projects serving farmers and ranchers received $4.0 million out of a total national discretionary budget of $55.8 million. The amount devoted to farmers increased to $5.7 million out of $55.3 million in PY 1985. By PY 1986, both the total discretionary budget and the portion devoted to programs for farmers had fallen, with farmers programs receiving only $1.7 million out of a total of $23.9 million.[17]

Not all of this funding has gone to new programs. In many cases states and SSAs have simply used discretionary funding to supplement their existing EDWAA allocations. Thus, farmers in some discretionary-funded programs have received the same services as other dislocated workers. In these cases there is no new program, but only a new funding source.

State- and Locally-Funded Programs

Farm states and rural communities have confronted farm and ranch dislocation in a variety of ways. Farm states passed many laws aimed at saving farms in the 1980s, among them measures to make foreclosing on farms more difficult, to require the mediation of credit disputes, and to provide aid to families leaving farming. Community groups organized to fight evictions, established food banks for suffering farm families, and lobbied state and local government for additional protection. Employment and training programs for dislocated and at-risk farmers and ranchers have thus occurred in the context of a major mobilization against farm and ranch dislocation. State and SSA programs to retrain and find employment for farm families are a small part of a vast effort to save family farms.

Farm states and SSAs used several strategies for responding to the employment and training needs of farmers. In a few states, legislatures appropriated funds specifically to serve dislocated and at-risk farmers and ranchers. For example, the State of Kansas, has continuously funded a program to assist farmers since 1985. Several other midwestern states, including Iowa, Nebraska, South Dakota, and Wisconsin, committed state funds for farmer and rancher retraining for up to several years during the 1980s.[18]

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[17]Saupe and Salant, p. 29. Because discretionary-funded programs can specify more than one target group, these figures may overstate the actual resources devoted to dislocated farmers and ranchers.

[18]National Governors' Association Center for Policy Research, pp. 6-10.

As some of the first employment and training programs for farmers and ranchers in the decade, these programs initially relied on state funding. Many programs also received national discretionary grants, but the temporary nature of this funding limited its value for supporting ongoing programs.

Besides appropriating new funds and applying for national discretionary grants, some states and SSAs also elected to serve farmers and ranchers with their own EDWAA allocation. In Michigan, for example, the state Department of Labor funded a training program for dislocated farmers with state discretionary funds from 1986 through 1988.[19] In 1986, a PIC in Indiana began an entrepreneurial training program solely for dislocated farmers.[20] Three rural SSAs in Wisconsin recently received a portion of state discretionary funds to serve farmers, and in Illinois, rural SSAs received additional state EDWAA funds up until very recently.

These special programs tell only part of the story behind state and SSA efforts to provide employment and training services to dislocated farmers. In addition to the programs and funding arrangements described above, farmers can be and are served under JTPA Titles II-A, II-B and III. Unfortunately, states are not required to maintain statistics on the number of farmers they serve, so it is difficult to estimate just how many participated as regular JTPA clients. In all likelihood, the majority of farmers served by JTPA in the 1980s were served in regular Title II and III programs.[21]

Despite decades of dislocation, farmers and ranchers have only recently become targets for employment and training services. Even in predominantly agricultural states, most employment and training programs did not address the needs of farmers until the farm crisis of the mid-1980s. Although farm dislocations continue, many of the programs started in the 1980s no longer exist. Chapter IV looks at the demonstration programs which succeeded them, and Appendix B reviews several programs which survived the 1980s.

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[19]"University Extension Service Provided Mich. Farmers with Training, Support," *Employment and Training Reporter*, October 19, 1988, pp. 144-146.

[20]"JTPA and Bank Funds Provide Indiana Farmers with Entrepreneurial Training," *Employment and Training Reporter*, July 30, 1986, pp. 1219-1220.

[21]In an informal phone survey of JTPA officials in all 50 states during November 1991, we learned that very few farmers contact JTPA programs on their own. In Iowa, for example, approximately 50 farmers were served under EDWAA during PY 1990 in the 14 SSAs not covered by that state's FARM/WORKS demonstration project.

IV. The EDWAA Farmers and Ranchers Demonstration Projects

Through the data collection activities in preparation of this report, Berkeley Planning Associates and Social Policy Research Associates were able to compile a great deal of information about the design, implementation and operation of each demonstration project. Detailed case studies were developed for all four programs. This material was used as the "raw data" to produce the condensed profiles presented in this chapter. Each profile contains the following information:

- **Context**. All four demonstrations were conceived and carried out within unique institutional, economic and agricultural contexts. In this section, we briefly portray state and local areas with respect to basic indicators of economic health, the extent and type of agricultural activities, and recent trends in agriculture and the local economy.

- **Overview**. This section provides thumbnail sketches of the history, administration, goals, service delivery structure and innovations of each program.

- **Coordination and Integration**. An essential element of the programs was the type and extent of coordination planned and implemented with other agencies and organizations that support or do business with farmers. The programs varied widely in the degree to which they were integrated, and in how this integration was achieved.

- **Target Population and Eligibility Criteria**. One of the most controversial aspects of the EDWAA Farmers and Ranchers Demonstration was the question of who should be served. States interpreted federal eligibility guidelines in a variety of ways, employing more and less restrictive enrollment policies. While some states only enrolled farmers who had already lost their farms, others targeted farmers who would be likely to keep their farms. In this section we describe the policies and practices of each program in terms of who the programs tried to reach.

- **Outreach and Recruitment**. Experts have long known that outreach is the key component of any program serving the employment and training needs of farmers.

Farmers do not ordinarily come into government or welfare offices of their own volition. They are often proud, and reluctant to admit their troubles to others -- or even to themselves. Therefore, outreach and recruitment loom large as perhaps the most critical aspects of a program design, and it is in this area that the demonstrations were most innovative. We describe in this section the strategies used to identify, reach and enroll farmers.

- **Services.** Once farmers enrolled in the programs, most received services quite similar to those offered to other EDWAA clients, except for services offered to individuals who sought to keep farming as their primary source of income. These individuals received financial and legal services, psychological counseling, and farm management courses. In this section we describe the menu of service options that were available in each program.

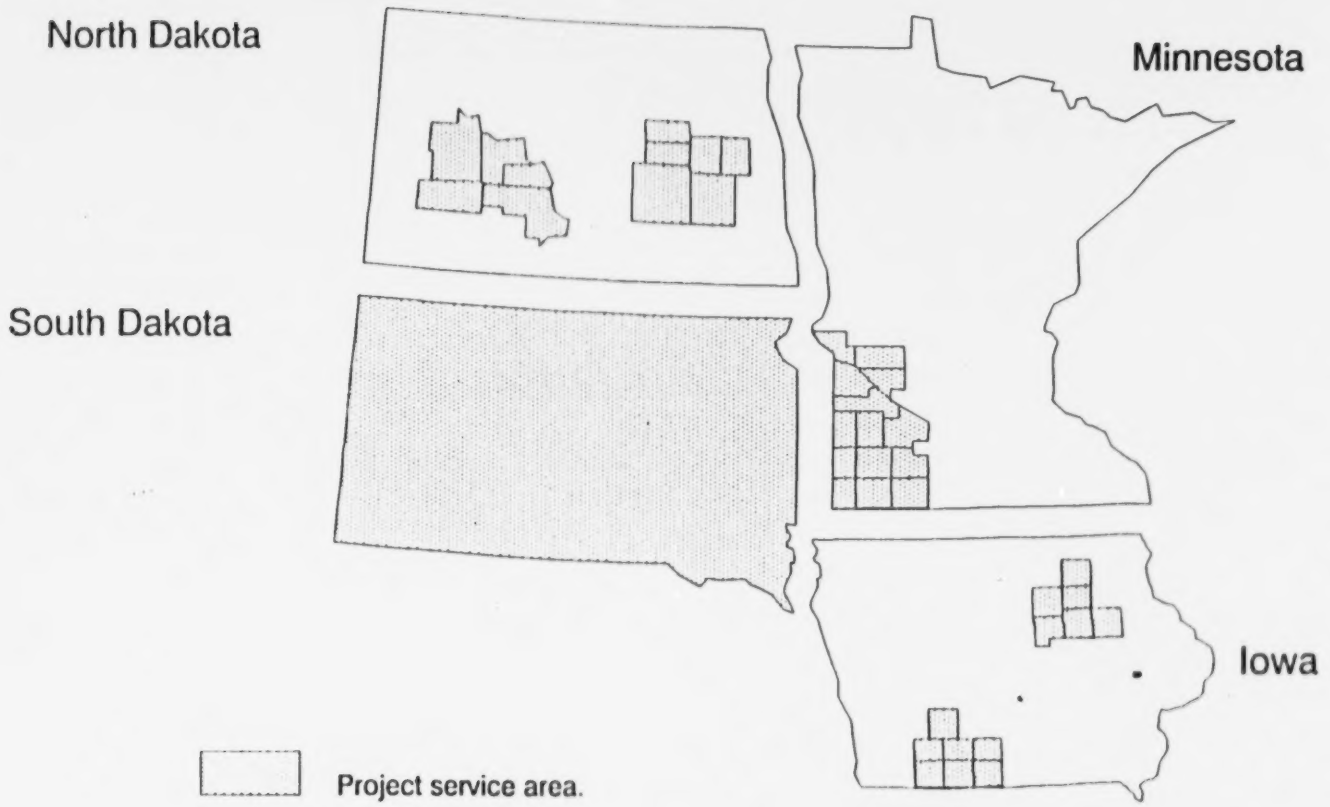
- **Outstanding Features.** We summarize each profile by identifying the outstanding features of the program -- features worthy of note to persons interested in services for financially stressed farmers.

- **Client Profiles.** The individual stories of several demonstration participants follow each project profile.

Figure IV-1 depicts the four demonstration states and their project service areas at the beginning of the demonstration.

Figure IV-1

Service Areas of Demonstration Projects



IOWA: FARM/WORKS

We are convinced now more than ever that case management is the one essential program element...The most successful terminations were those clients who had strong, intimate and trusting relationships with their [case managers].

-- Irene Schultz, Special Project Coordinator

CONTEXT

Bordered by the Upper Mississippi River on the East and the Missouri River on the West, Iowa consists mainly of rolling prairie land. The northern two-thirds of the state contains some of the most fertile land in the nation, helping to make agriculture a $9 billion industry in Iowa. Iowa is the national leader in both corn and pork production. It is second in soybean production and is one of the top ten dairy producers. With 33.5 million acres in farming, Iowa has the highest percentage of farmland of any state, supporting 104,000 farms statewide, with an average size of 323 acres. As in the rest of the Midwest, Iowa has experienced a long-term decline in the number of farms and the number of persons employed in farming. This trend accelerated during the farm crisis of the mid-1980s. The worst drought since the Dust Bowl era compounded this financial crisis and exacerbated a situation already very serious for farmers. The legacy of these crises is still evident in the weakened condition of farms throughout the Midwest. As one observer put it, while the crisis of the mid-1980s received massive public attention, the situation for Iowa farmers in the early 1990s is one of "quiet desperation."

Unlike the Dakotas to the west, Iowa has several large cities (five over the size of 70,000) and a diversified economy. Manufacturing dominates the gross state product, with more than 4,000 firms bringing in more than $10.5 billion annually. Des Moines is a national center for the insurance industry and has a thriving labor market. Many Fortune 500 companies operate manufacturing facilities in the state. Unemployment has dropped from a peak of more than 7% in 1985 to 4% by the end of the demonstration.

The EDWAA Farmers and Ranchers Demonstration operated in two of Iowa's sixteen SSAs: SSA 7 in the agriculturally rich northeastern part of the state and SSA 14 in the more rural and impoverished south central part of Iowa. We briefly describe the local conditions in each SSA below.

Headquartered in Waterloo/Cedar Rapids, SSA 7 covers a six-county area with a total population of about 210,000. Unique among the demonstration projects, the area covered by FARM/WORKS included three urban counties, where heavy manufacturers and other large corporations dominate the labor market, especially in the main cities of Waterloo (pop. 68,000) and Cedar Falls (pop. 35,000). Cedar Falls is also the home of the University of Northern Iowa. The three remaining counties are primarily agricultural with some light manufacturing. The unemployment rate ranges from 4 to 6% in the six counties, and has been exacerbated by periodic mass layoffs. In 1986, 6,000 workers were laid off from Deere & Company, followed by another layoff affecting still more workers in early 1991. Until early 1980 SSA 7 had a strong employment base comprised of manufacturing companies employing large workforces with good wages and benefits. Over the last decade, however, the number and quality of these jobs have fallen off, creating a tight labor market with little indication of growth.

SSA 7 covers a rich agricultural area with over a thousand farms in each county producing corn, soybeans and pork. Farms are family-owned and small, with an average size of about 250 acres per farm, and land values ranging between $1,000 and $1,500 an acre. The area suffered through the drought of the late 1980s, and continued to suffer with the wet spring and early frost of 1991, all of which added to the chronic problems of farmers in this area. A recent Comparative Extension Service study estimated that only 20 to 33% (varying by county) of the farms in the area are showing enough profit to cover operating and living expenses.

SSA 14, the second SSA which offered demonstration services, is based in Creston in the southcentral part of Iowa, a small town of 9,000. This SSA covers a seven-county area whose residents are generally much poorer than their counterparts in SSA 7. Its population of only 60,000 is both increasing in age and decreasing in size. The local economy, which is now shifting from an agriculture to a light industrial base, offers few new jobs with good wages. Land values are low relative to the rest of the state, and each county has between 700 and 1,000 farms. Farms have to be larger to be financially viable in this more hilly part of Iowa, and they average about 400 acres. Cattle grazing, hogs, soybeans, corn, hay and poultry production dominate agricultural activity.

OVERVIEW

The goals of the FARM/WORKS project were dual: helping financially stressed farmers keep their farms, and helping those who must leave farming to find alternative

employment. The model for FARM/WORKS derived from the project's predecessor, a Title III discretionary grant-funded program for farmers which operated primarily in SSA 7 and SSA 14 in the two years prior to the start-up of FARM/WORKS in 1990. Planners of FARM/WORKS harvested many lessons from the experience of operating earlier programs. The fundamental principles on which the demonstration was built included:

- Strong, local (SSA) control of the program,
- Staff with farm backgrounds who are familiar with the community,
- Adequate time for counseling and rapport-building between staff and farmer participants, and
- Retention of the farm as a desirable and valid objective.

FARM/WORKS emphasized strong case management. Each SSA employed a specialist with a farm background whose time was fully dedicated to the farmer clients. The program offered extensive counseling and assessment, generous support services and many choices of occupational skills training, with a strong emphasis on long-term classroom training. Farmers whose operations seemed viable were offered legal and financial services as well as farm management courses and off-farm employment to enhance their chances of keeping the farm. Job search assistance and placement as well as OJTs were also provided.

COORDINATION AND INTEGRATION

Coordination between FARM/WORKS and other agencies and organizations was highly developed in both SSAs, due in part to relationships established during previous programs. The two case managers maintained close working relationships with individuals in other organizations who are concerned about farmers and were sympathetic to the objectives of the project. Formal, contractual arrangements were avoided. An active task force in each SSA met regularly and helped to maintain or strengthen linkages. These task forces consisted of staff from FmHA, local banks, Mediation Services, Legal Services, Extension and emergency relief agencies, local elected officials, and ministers from local churches.

Special Extension Service staff who offered mental health and crisis counseling, needs assessment and emergency relief for stressed farm families provided many referrals

for FARM/WORKS.[1] During the first year of the program, they accounted for about one-third of all referrals. FmHA officers were also especially active as a referral source and supportive agency for the program. Mediation Services and Legal Services also worked closely with FARM/WORKS staff, supplying a substantial number of referrals.

FARM/WORKS recorded referral activities as part of its routine data collection and monitoring activities and these figures give a good indication of how clients heard about the program. According to FARM/WORKS records, by March 31, 1992, 181 referrals were made to the FARM/WORKS program. Although FARM/WORKS did not work closely with Extension Service county agents, it did benefit greatly from Extension's 1440 agents. A plurality (59) of referrals came from these Extension 1440 agents. Community colleges referred another 25 farmers to the program. Other agencies that referred potential participants to FARM/WORKS included Job Service (9) and Legal Services (10). Lending institutions, including FmHA, referred 13 farmers.

TARGET POPULATION AND ELIGIBILITY CRITERIA

The FARM/WORKS project used the same eligibility criteria applicable to farmers and other self-employed individuals in Iowa's overall EDWAA program. Generally, farmers, their spouses, dependents and farmhands were eligible if they had either lost the farm or were in the process of losing it, as evidenced by proof of bankruptcy or no profit shown during the last twelve months. Farmers could also become eligible by documenting their inability to obtain a loan, or to lease or rent sufficient land to continue their operation. A majority of FARM/WORKS participants qualified under the criteria of failure to obtain a loan or show profit.

Although the formal eligibility rules for FARM/WORKS were relatively restrictive (e.g., they did not include the Minnesota guideline whereby farmers with a debt/asset ratio greater than 40% are eligible), in practice the program enrolled farmers whose situations ran the gamut from being already dislocated and living off the farm to experiencing hardship but intending and likely to retain the farm. An explicit goal of the Iowa program was to help farmers stay on the farm.

[1]Two or three of these "1440" workers cover the entire state of Iowa, and are funded out of a special program under Extension Service.

OUTREACH AND RECRUITMENT

By the time FARM/WORKS started in July 1990, the two case managers in each SSA were already well-known in their communities for providing help to stressed farmers as a result of their involvement with earlier programs. Unlike programs that had to start from scratch, FARM/WORKS could immediately benefit from these previously established networks. For this reason, recruitment for FARM/WORKS relied heavily on word-of-mouth referrals and strong, existing referral networks. To maintain and enhance the visibility of the program, the case managers also spread the word through radio and print media, advertising, and presentations at farm organizations (e.g., the Farm Bureau).

Demonstration funds were used to create a powerful recruitment tool in the form of an informational video developed especially for FARM/WORKS, and featuring actual staff and participants. This video was shown at many community events, including state fairs and farmers meetings, as well as in the homes and on the farms of potential participants. SSA 14 operated an 800 number solely for farmers to call for information about the program, a mechanism that the FARM/WORKS specialist credits as the single most effective recruitment tool she had. Both case managers spent much of their time on the road, visiting potential participants in their homes and on their farms.

SERVICES

FARM/WORKS offered the full range of EDWAA services, many of which were provided to participants at home or on the farm, including orientation, eligibility determination, assessment, counseling, and referrals to other services, such as classroom training. Case managers preferred to take the program to the farmer rather than require the farmer to come to the program, both to minimize the embarrassment of coming to a government agency for help, and to get a firsthand, intimate look at the family's circumstances.

A basic tenet of FARM/WORKS was the importance of addressing the profound psychological distress suffered by families in the process of losing their farms. Case managers considered it a critical component of their job to perform extensive grief counseling to those who needed it, as a way of preparing potential clients for retraining and off-farm employment. This process often required several months of bi-weekly visits to the farm. In a substantial number of cases, staff spent considerable time visiting with a client, and then allowed the client time -- sometimes months -- to consider his or her

options. These leaves of absence from the program were offered to those still moving through the stages of grief and not yet ready for training. Such counseling and rapport-building was usually billed under "Pre-Employment Training (PET)," accounting for the fact that 188 out of 221 participants received PET by the end of December 1991.[2]

Formal assessment was also available to clients, and relied on a variety of standard instruments. Case managers in both SSAs often began the assessment process by having farmers use a checklist to identify skills that they and their family members had, but may not have been aware of. The managers found that this process of naming skills had a strong and compelling impact on farmers whose recent failures were still paramount in their minds.

The planners and operators of FARM/WORKS were committed to long-term training for demonstration clients. FARM/WORKS funding allowed many participants to begin two-year training programs, and also enabled some participants to complete four-year programs begun prior to the demonstration. Occupational training in the classroom was offered through community colleges, the state university, private colleges and other private training programs. Participants took courses in high skill occupations such as nursing, welding, mechanics, drafting and many other areas. SSA 14, however, had considerably fewer training institutions than SSA 7, and demonstration participants in this more isolated SSA often had to travel long distances or relocate to gain access to training.

OJT was not heavily used for FARM/WORKS or other EDWAA participants in Iowa, in part because state and local policy-makers viewed it as a training option of last resort (for clients who needed a job right away). In addition, the relatively stringent requirements of OJT contracts limited the pool of eligible and willing OJT employers, as did the tight labor market. By the end of December 1991, only 25 participants had been placed in OJTs.

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[2]FARM/WORKS takes the psychological and emotional ramifications of farm dislocation seriously. In addition to building counseling directly into the service process, improvements in self-esteem and well-being are viewed as crucial measures of success. A special study was commissioned by the project to measure pre- and post program self- esteem, and was conducted by Dr. Fred Ribich. Final results from this study are forthcoming. Some preliminary analyses indicate that FARM/WORKS participants initially have above average levels of depression, anxiety and stress, as well as low self-esteem.

Although the SSAs differed somewhat in their policies, FARM/WORKS participants were offered support services to cover certain training-related expenses, as well as expenses for medical, counseling, legal and financial assistance and advice. They were eligible for more assistance than other EDWAA clients, in part because of their greater need (for example, for gas money to drive to town) and in part because of higher per participant funding levels possible under the demonstration. Participants were reimbursed in full for mileage and phone calls that were service or training-related. Needs-based payments were not offered to any EDWAA participants in Iowa, including FARM/WORKS participants. Relocation assistance was used sparingly, due to the program's objective to help farmers keep their farms, or at least stay in the area.

Job development and placement services under FARM/WORKS were the same as those provided in the general EDWAA program, and did not appear to be as highly developed as the demonstration project's pre-placement services. Case managers performed some job development services for clients, and were aided by job developers on the SSA staff, but many clients found their own jobs.

OUTSTANDING FEATURES

Several features of the FARM/WORKS model stand out as particularly innovative and promising:

- **Case management was implemented in its fullest form, consisting of individuals with farm backgrounds who were known in the community and had personal empathy for the problems of dislocated and distressed farmers.** These case managers personally handled all aspects of each case, from coaxing the reluctant, proud farmer to enroll, to careful rapport-building and often months of on-farm visits, to seeing each client through many months of schooling and on to a job. Throughout the program, FARM/WORKS staff insisted that case management by individuals who understand farming is the "key to success."

- **FARM/WORKS was based on the premise that farmers have unique and often more complex needs than mainstream JTPA clients, justifying enhanced support services and often lengthy pre-training preparation.** The model acknowledges both the need to intervene early enough to do some good, and the need to take time to allow the farmer to recover from the emotionally devastating experience of losing this way of life.

- **FARM/WORKS operated at the local level with a high degree of autonomy enjoyed by project staff.** However, state-level officials were active and supportive partners in design and operation of the program, and stayed in constant touch with the two SSAs.

- **Finally, FARM/WORKS benefited from strong coordination with other agencies that work with farmers, and which farmers tend to trust.** Although most services were performed by demonstration staff dedicated to the project, substantial effort was devoted to building and maintaining close ties with other farm-related organizations.

In summary, the FARM/WORKS model was well-established, finely-tuned and energetic. It recognized that farmers in stress need much more than short-term employment and training to help them cope with the hardships of farming, or the stress of leaving farming for alternative employment.

IOWA CLIENT PROFILES

Richard and Martha

Richard and Martha are middle-aged dairy farmers who filed for bankruptcy in 1991. The farm they lost had been in the family for generations and their family is part of the local history.

The agricultural mediator working with the family referred them to FARM/WORKS during spring 1991. Ted Harms spent many hours talking with the couple who were grieving over the loss of their way of life. One son also enrolled in the program and attended a local vo-tech college, but quit after a few weeks. Richard feels that his son needs time to work things out. "He took the loss of the farm pretty hard. He worked all his life on the farm and I think he was looking forward to taking it over."

Neither Richard nor Martha were interested in retraining, but wanted to start a new life for themselves somewhere else. FARM/WORKS spent many hours with the couple providing counseling and support. Staff helped them locate jobs on a dairy farm in Arizona, and helped the couple relocate there. "We've never been on an airplane or lived anywhere else before," said Richard, "but maybe it's time, time for something new."

Two Letters from a Participant to a FARM/WORKS Case Manager

BEFORE FARM/WORKS...

Dear Mr. Harms,

I wanted to touch base with you again. I had hoped you would drop off the material we had discussed on your last visit but from what you said I know that you are very busy with other farmers who need your help and guidance.

The mass confusion continues for me. I will have surgery next week. The farm sale is scheduled for Sept. 8th. I have to return to the hospital for more tests right after that. Our mental and emotional condition swings with every minute some days...

I know you said we would survive this. I am relying on it being true.

I am very much looking forward to moving away from here and getting a new fresh start at life. It's not easy to change, but I'll do it.

I have answered all the questions on the application to the best of my ability. I really hope you can help me find a new way in life. Thank you very much for your time, your concern and your understanding during this critical time in our lives.

I hope to hear from you soon.

Sincerely,
Mary Smith

AFTER FARM/WORKS...

Dear Ted,

I'm really proud to send you my transcript again. Not arrogant, I assure you, because I work to accomplish what I get. But I'm not ashamed for you to see it. I just hope that I can maintain my average through all my schooling.

I am very pleased that I decided to go back to school. I am also grateful to you for encouraging me. I don't want to let either of us down.

Everything is going pretty good other than that. We're still broke, we're still real poor. BUT we have hope now. Call me some time.

Always,
Mary

MINNESOTA: DISLOCATED FARMERS PROJECT

> *We are dealing with farmers who have lost farms that have been in their families for generations. We are dealing with farm wives who must leave the only life they have known to supplement the family income with an outside job. We are dealing with the children of farm families who have always dreamed of a future on the farm and are now having to look elsewhere for their future. This project is helping these farmers move towards a better life.*
>
> -- Dislocated Farmers Project Quarterly Report, December 31, 1990

CONTEXT

Minnesota is a large midwestern state with a diversified economy. Agriculture plays a major role, but service, trade, and manufacturing industries predominate. As a result of this diversity, Minnesota's overall economy escaped much of the financial stress induced by the agricultural crisis of the 1980s. Rural parts of the state, however, suffered greatly. These rural areas occupy the greater portion of the state's land area, yet Minnesota's population remains largely urban. Over half of all Minnesotans live in the Minneapolis/St. Paul metropolitan area, and two out of three state residents live in cities with populations of more than 50,000.

The remaining third of Minnesota's population lives in more rural areas, where agriculture and tourism play a correspondingly greater economic role. Minnesota's Dislocated Farmers Project serves the rural southwest portion of the state, a region in sharp contrast to the state's urban centers. While almost two-and-a-half million people live in the Minneapolis/St. Paul area alone, southwest Minnesota's fourteen counties have only 174,000 residents. Agriculture and agriculture-related businesses account for much of the area's employment, and the farm decline of the 1980s struck the region hard. In just the five years between 1982 and 1987, the number of farm operations in southwest Minnesota dropped by more than 11%. This decline has continued in the 1990s, and unemployment in southwest Minnesota's counties now lies two to three percentage points above the statewide average, which stood at 5.5% at the end of the demonstration. In addition, while the state as a whole grew in population during the 1980s, urban migration caused southwest Minnesota's population to decline, with some counties experiencing losses of more than 18% of their populations.

Despite these trends, Minnesota remains an important agricultural state and ranks sixth among all states in farm cash receipts. In southwest Minnesota important crops include corn, oats, wheat, and soybeans. In addition, cattle, hogs, sheep, and dairy cows all contribute to the local agricultural economy.

The largest cities in southwest Minnesota are Marshall, Worthington, and Montevideo, all of which have populations under 12,000. All three towns function as regional trade centers and also host the three local offices from which the Dislocated Farmers Project operated. These offices, each covering several counties, are the area JTPA offices for the Southwest Minnesota Private Industry Council, which is the grant recipient for all JTPA programs in the region's fourteen counties.

OVERVIEW

Minnesota's Dislocated Farmers Project was conceived and implemented at the SSA level. Staffers of the Southwest Minnesota Private Industry Council designed the project and it remained under their direction. Unlike the other demonstration projects, Minnesota's state EDWAA agency played a very minor role in the design or operation of the program.

Day-to-day demonstration operations fell under the jurisdiction of the SSA's three area offices in Marshall, Worthington, and Montevideo. Each office is responsible for all local JTPA services and each integrated the demonstration project with these existing services. Demonstration participants underwent the same assessment and were eligible for the same services as other JTPA clients. Similarly, demonstration participants received most services from the same staff members as regular JTPA clients.

Despite these similarities, the Dislocated Farmers Project differed from mainstream JTPA services in two important ways. First, the project targeted clients who were at risk of dislocation from the farm or ranch, in addition to those who were already dislocated. This policy was part of the demonstration since its inception, but received greater emphasis after that time. Project staff expressed an increasing concern for early identification of at-risk clients as the best means for preventing dislocation, rather than merely as a response to it. The second way that the demonstration differed from mainstream JTPA was the addition of two new outreach staff to recruit at-risk and dislocated farmers into the project. These new staff came to the demonstration with farm backgrounds: one was a mediator and a farmer while the other was a dislocated farmer.

Both understood the stresses peculiar to farm dislocation and could directly relate to the experiences of potential clients.

COORDINATION AND INTEGRATION

Minnesota's use of existing EDWAA staff and facilities allowed it to build upon the coordination already present in the program. Long-standing cooperative agreements established by EDWAA gave the demonstration access to a number of services and agencies, including the Job Service, educational institutions, mental health agencies, legal services, community action programs, rehabilitation agencies, and other human service agencies. In addition to these existing linkages, the demonstration also made new contacts with the Department of Agriculture's Farm Advocate Program, with Farm Management instructional programs at area technical colleges, and with local farm lenders, primarily for referrals. In practice, however, most of these organizations' services were not integrated into the demonstration project. Project staff could, for example, make referrals to mental health centers or other service providers, but most participants in the demonstration did not make use of outside services. Likewise, new contacts with potential referring agencies were also less productive than originally anticipated.

TARGET POPULATION AND ELIGIBILITY CRITERIA

Minnesota's eligibility criteria enabled the demonstration project to target both dislocated and at-risk farmers. Potential clients of the program had to meet one of the following criteria:

- Debt/asset ratio greater than 40%,
- Documented difficulty in securing business capital,
- Inability to make loan payments,
- Failure to make a profit in the past twelve months,
- Foreclosure or bankruptcy, or
- Recent sale of farm land and moving away from farming as primary source of income.

The demonstration added this last criterion after the start of the demonstration, recognizing that many at-risk farmers would sell off land to forestall their operation's demise.

OUTREACH AND RECRUITMENT

The Dislocated Farmers Demonstration Project employed two outreach workers as its primary means of recruitment. Both were dedicated to the demonstration and spent much of their time on the road, visiting current clients and recruiting new ones. As with all of the demonstrations, the great distances between clients and the large area covered by each worker left the outreach workers as little time as one day a week in the office.

In addition to meeting with clients, outreach workers also obtained referrals from farm lenders, county extension agents, farm management instructors, and others in regular contact with farmers who could benefit from the demonstration's services. These contacts were less successful in attracting potential clients than the demonstration's advertisements in local newspapers.

SERVICES

Under the Dislocated Farmers Project, Minnesota provided virtually all of the same services as the mainstream EDWAA program. These services include basic readjustment services, support services, relocation assistance, job development/placement, classroom training, on-the-job training, and entrepreneurial training. Rather than hiring new demonstration staff to provide these services, Minnesota utilized mainstream EDWAA staff for all services other than outreach and recruitment. Except for these outreach services, Minnesota's demonstration was very similar to pre-existing EDWAA services in southwest Minnesota.

Some demonstration services other than outreach and recruitment, however, had distinctive features. For one, the demonstration project identified classroom occupational training as a service priority, and a majority of participants received this service. Most occupational training participants attended the Southwestern Technical College, which has four local branches and is accredited by the Minnesota Vocational Technical School system. Significantly, training programs tended to be long-term under the Minnesota demonstration. Indeed, of the 233 participants enrolled in the demonstration as of March 31, 1992, only 75 had terminated.

By contrast, other forms of training received little emphasis in the Minnesota demonstration. Relatively few clients participated in non-occupational classroom training or on-the-job training. A small number of participants (fewer than 15) received entrepreneurial training.

Although the demonstration promoted long-term classroom training, the region remains predominantly agricultural, and non-agricultural jobs can be difficult to find. Recognizing this constraint, the project also utilized relocation assistance as necessary. Roughly a dozen participants in Minnesota's Dislocated Farmers Project received this form of assistance.

OUTSTANDING FEATURES

Several features of Minnesota's Dislocated Farmers Project stand out in the context of the broader demonstration:

- **The project was designed by local actors to address local circumstances.** The Southwest Minnesota PIC created the demonstration and continued to manage it, while the state had little input. Even at this local level, service delivery was highly decentralized and was performed out of three separate offices of the SSA.

- **Classroom occupational training was heavily emphasized.** Although OJT and job search assistance were also available, most participants attended classroom occupational training, primarily at the Southwest Technical College, a regional vocational-technical school system. Most of this classroom training was also long-term.

- **The Southwestern Minnesota PIC was the only grantee in the demonstration to successfully implement an entrepreneurial training component.** Most of the demonstration states originally planned to offer this service, but only Minnesota succeeded in enrolling more than a few participants. Entrepreneurial training did not become as widespread as originally planned, but was more successful than similar attempts in other demonstration states.

MINNESOTA CLIENT PROFILES

Rick

Rick is in his mid-thirties, and was a lifetime farmer with a wife and two children. He had a large livestock operation on rented land until disease destroyed his hogs, cattle, and dairy herd. No lender would help him rebuild the herd, so Rick began to look for a job.

Rick came to the project in a roundabout way. He didn't even think about retraining; he was just looking for a job -- any job --- to keep his family afloat. But when he visited the Job Service to check employment listings, a counselor there told him he needed retraining, not low-wage labor, and recommended him to the demonstration project.

Rick's caseworker at the Dislocated Farmers Project discussed all kinds of training options with him and took him to the nearby technical college to observe classes there. Rick was interested in their hydraulics program but wasn't sure about the math requirements, the 18-month training period, or how we would support his family. The project offered him math remediation and support services, and helped him apply for a Pell grant, while the school gave him a work-study position for the school year and summer. Rick turned out to be one of the instructor's best students and completed his course successfully.

After completing the course Rick received several promising job offers from out-of-state companies, and with relocation assistance from the program, moved away with his family to a new job and life as salesperson for a hydraulics company.

Jill

Jill and her husband have been working their farm together for more than 20 years. As a Farm Advocate she had referred a number of people to the Dislocated Farmers Project, so when her own farm began to experience problems she turned to the project for assistance in upgrading her certification to that of a Farm Mediator. With three children to support and a struggling farm of her own, Jill saw the Farm Mediator position as an important source of off-farm income as well as a way of helping her own operation.

The program helped Jill with the tuition and materials she needed to complete the Farm Mediator course, and she gained her new certification easily. With her new skills and certification Jill helps herself as she helps others in similar positions.

NORTH DAKOTA: FARMER/RANCHER DEMONSTRATION PROJECT

It was like a marriage between the Job Service and the Agricultural Mediation Service.

-- Leanne Ehli, Job Service North Dakota

CONTEXT

North Dakota is a large, sparsely-populated state with a predominantly agricultural economy. As of the 1990 Census the state population stood at 639,000. Despite this sparse population, urban migration is significant in North Dakota. During the 1980s, the population of metropolitan areas increased by almost 10%, while non-metropolitan areas declined by almost 9%. The consolidation of farm and ranch operations have accompanied these population shifts; North Dakota had 41,500 farms in 1976, but ten years later this number had declined almost 20%, to 33,500. At the same time the average size of North Dakota farms has risen to more than 1,100 acres.[3]

North Dakota is a single SDA/SSA state, and all Title II and III programs are operated by Job Service North Dakota (JSND) from the state capital in Bismarck. JSND operated the North Dakota Farmer/Rancher Demonstration Project locally in two multi-county areas at either end of the state. In the east, the project served a predominantly wheat-growing area, while in the west ranching plays a more important role.

Unemployment in North Dakota is low by national standards and hovered between 4% and 5% during the demonstration. Yet unemployment is only part of the picture in agricultural areas of the state, where farm profitability can suffer regardless of employment levels. Declines in agricultural land values and commodity prices during the 1980s, combined with the rise in input prices, drought, and restricted credit, severely impacted North Dakota agriculture and continue to threaten farm operations which survived this period. This agricultural decline, combined with rural out-migration, has battered the broader rural economy, and has limited employment opportunities for individuals seeking to supplement farm incomes.

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[3]Farms and ranches in North Dakota and other prairie states tend to be much larger than in states like Iowa due to their relatively dry climates. North Dakota receives much less rain than Iowa, and few areas of the state are suitable for irrigation. Despite the lack of water, wheat and cattle do quite well. These wheat and cattle operations require hundreds of acres to sustain a single farm family, resulting in the enormous farms and ranches of North Dakota.

OVERVIEW

North Dakota's Farmer/Rancher Demonstration Project recruited at-risk and dislocated farmers and ranchers, as well as their spouses, dependents, and farmhands, into what is essentially a traditional EDWAA program. The historic difficulty of recruiting the farm population, however, led to several significant differences between the demonstration project and EDWAA services in North Dakota:

First, the Farmer/Rancher Project aggressively recruited participants into the demonstration. It accomplished this primarily by using Agricultural Mediation Service (AMS) negotiators as outreach workers (AMS is a division of the State Department of Agriculture). JSND contracted with AMS for the full-time services of two negotiators. These negotiators worked with interested farmers directly and also tried to identify potential demonstration participants by contacting local lenders, Farmers' Union representatives, business people and others already involved with the at-risk farmer and rancher population.

Second, the Farmer/Rancher Project was housed separately from local Job Service offices. The project had two such offices, each staffed by a team consisting of one Job Service employee and one AMS negotiator. These two-person teams worked together closely to meet both the employment and training and farm business needs of participants. In working together, the demonstration staff provided a form of case management especially suited to their clientele. Both this case management strategy and the independence of demonstration offices aided recruitment by setting the demonstration apart from traditional social services, which some farmers and ranchers shun as a government handout or an admission of failure.

Finally, the Farmer/Rancher Project promoted early intervention by targeting participants who were at risk of dislocation from the farm. Just as the EDWAA legislation promotes early intervention through Rapid Response for laid-off workers, the Farmer/Rancher Project recruited and enrolled distressed farmers while they were still on the farm, and ideally before dislocation was inevitable.

North Dakota's Farmer/Rancher Demonstration Project implemented this approach to serving farmers and ranchers in its first year of operation, but the program evolved after that time. In its second and third years the demonstration sought to integrate some of its innovations into the existing JSND system. Specifically, JSND is closing

independent demonstration offices, training local JSND employees to provide the same services as demonstration staff, and expanding to cover the entire state.

As set out in their proposals to the Department of Labor, JSND designed this expansion of services from the start. After enhancing services to farmers in demonstration areas, JSND planned to use demonstration staff to help expand these services, through the JSND system, to the entire state. This plan recognized that funding for demonstrations is time-limited, and JSND opted for integrating demonstration services into the more permanent JSND system as the best long-term strategy for serving at-risk farmers and ranchers throughout North Dakota. Although this approach may result in less personalized services than were available under the demonstration, it will allow JSND to address chronic decline in the agricultural sector by continuing to serve at-risk farmers and ranchers long after the demonstration's end.

COORDINATION AND INTEGRATION

Job Service North Dakota closely coordinated its operation of the Farmer/Rancher Project with the Agricultural Mediation Service (AMS), a certified mediation program under the supervision of the state Department of Agriculture. AMS employs a statewide network of 40 mediators and negotiators who counsel farm operators on credit issues, negotiate for farmers in their dealings with creditors, and formally mediate between these two groups. Because AMS already worked with farmers and ranchers in difficult financial circumstances, they were a natural fit for JSND's recruitment efforts under the demonstration.

JSND worked with AMS on the demonstration in two important ways. First, JSND contracted with AMS to provide one full-time negotiator in each of the two demonstration sites. These negotiators worked closely with a JSND staff member to operate the demonstration locally, providing recruitment, case management, and follow-up services. In addition, other AMS negotiators active in the demonstration area were instructed to refer potential participants to the demonstration.

JSND's links with training providers and potential employers also aided the Farmer/Rancher Project. As the statewide JTPA agency, JSND's long-established coordination with state colleges and universities, community colleges, and vocational education programs provided an immediate base for retraining demonstration participants. In addition, JSND's prior experience with local employers gave the demonstration a head start in arranging OJT.

Local task forces facilitated this coordination, and the demonstration used these bodies to advise project staff and to involve members of the local community in the Farmer/Rancher Demonstration. Task forces typically encompassed one or two counties, and their members included local lenders, training providers, AMS negotiators, and others. Since many task force members already worked with at-risk farmers outside of the demonstration, and farmed themselves, they were able to both refer participants and to suggest strategies for helping them. Each task force typically met once per month.

TARGET POPULATION AND ELIGIBILITY CRITERIA

The Farmer/Rancher Demonstration Project was open to farmers and ranchers, their spouses, their adult children who work full-time on the farm, and farmhands. Applicants had to be employed on a farm which was financially at-risk, or to be dislocated due to the financial troubles of a farm in the past two years. Several criteria might qualify an applicant as at-risk, but these were applied on a case-by-case basis rather than as a strict set of eligibility rules. Criteria used to demonstrate risk included a debt-asset ratio greater than 40%, restructured debt, a negative cash-flow projection, delinquency of more than 90 days on a loan, denial of an operating loan, bankruptcy filing or foreclosure, or in the case of a farm hand, a letter from the farm creditor stating that the worker was laid off, or was in danger of being laid off due to the farm's financial difficulties.

Demonstration project staff could also request income tax returns, farm plans, and projected cash flow plans. In some cases they conferred with the applicant's creditors.

OUTREACH AND RECRUITMENT

As mentioned above, the Farmer/Rancher Project relied on referrals from AMS negotiators and local task force members to identify clients, but this was only one component of the demonstration's referral system. In addition, Farmer/Rancher Project staff developed contacts with farm lenders and other organizations that work with farmers throughout the project area. In at least one county, an extension agent mailed a Farmer/Rancher Project brochure to 900 of his clients. Elsewhere, the brochure sat on the desks of loan officers, and some included it when mailing delinquency notices to borrowers. Local task forces also enhanced recruitment by linking these referring organizations to the demonstration project.

Demonstration staff identified this referral system as critical to the project's success. While farm families often have little experience with the local Job Service office, they rely on agricultural and lending organizations for their livelihood, and they come to place great trust in people like their AMS negotiators or Farmer's Union representatives. These are people who work for farmers, and in many cases who farm themselves, and when they recommended the Farmer/Rancher Demonstration Project people listened.

The Farmer/Rancher Project also conducted an extensive publicity campaign, which included advertisements in local newspapers, a number of news releases, and several radio talk show appearances. These media sources were the first place many participants heard about the project.

SERVICES

Assessment and the development of a service plan typically began during the applicant's first office visit. Enrollees underwent the same assessment process as other JSND participants, which includes a two-and-a-half hour general aptitude test. Additional assessment instruments, including basic skills tests, occupational inventory assessments, and career exploration materials, were also used, subject to the needs of the participant. Based on the results of these tests, as well as participant interests, farm status, and the availability of appropriate training or employment, the JSND member of the demonstration project team developed a service plan for the participant. The AMS member of the team also become involved in this process if it appeared that restructuring the farm business could also benefit the participant.

Although assessment under the Farmer/Rancher Demonstration Project was very similar to the mainstream EDWAA program, the relationships established between participants and staff were often very different. Specifically, JSND designed the Farmer/Rancher Demonstration Project to include case management. A single Job Service staff member assigned to the demonstration worked with participants from start to finish, counseling them on available services, helping them to develop a service plan, and maintaining this relationship during training if this path was opted for. The case management approach offered participants a great deal of individual attention and helped guide them through the JSND system, a daunting prospect for first-time recipients of social services. Demonstration participants spoke highly of their case managers and seemed to appreciate these personalized services.

Supportive services and needs-based payments were available to demonstration participants on the same basis as for mainstream EDWAA participants. Payments for employment-related tools and uniforms were available on a one-time basis and transportation costs were also reimbursed in some instances. In addition, the project paid for supplies required by participants in training programs, and supplied several participants attending training programs away from their homes with bi-weekly needs-based payments. These policies were in accordance with JSND practices for mainstream EDWAA services.

Training took a variety of forms in the Farmer/Rancher Demonstration Project, and participants could enroll in any course available to mainstream EDWAA participants. These include basic skills training (where appropriate), and a range of occupational retraining courses. Participants enrolled in courses at state colleges and universities, community colleges, and proprietary technical schools across the state. In addition, several participants enrolled in technical schools outside of North Dakota for specific training programs not available in-state. Bachelor's degree programs were also funded for participants who had made substantial progress toward the degree prior to their enrollment in the demonstration.

Although the Farmer/Rancher Project encouraged long-term training, on-the-job training was also available, typically for participants who required more immediate employment. Many OJT opportunities arose from demonstration project staff contacts with employers, and most led to full-time, unsubsidized employment.

Besides these traditional training options, the Farmer/Rancher Project also offered training in farm management to demonstration participants who were not seeking off-farm employment, but simply sought to improve their present farm operations. This training was available on a one-on-one basis and was provided by the North Dakota State Board for Vocational Education. It was not available as part of mainstream EDWAA services in North Dakota. The full name of the course is North Dakota Farm Business Management Education, but it is more commonly known as Adult Farm Management.

OUTSTANDING FEATURES

- **The Farmer/Rancher Demonstration worked very closely with the Agricultural Mediation Service.** Two AMS negotiators were employed full-time with the demonstration project and provided both outreach and case management services.

- **North Dakota made extensive use of Adult Farm Management.** Many participants did not desire off-farm employment but only wished to improve their farm operations.

- **North Dakota's project evolved substantially from the beginning of the demonstration, becoming increasingly integrated with the existing JTPA system.** In the first year the project used two independent offices in two demonstration areas. In the second year the project integrated one of the demonstration offices with the Job Service and expanded this office's service area. In the third year JSND integrated all demonstration services with the Job Service, and expanded the program statewide.

NORTH DAKOTA CLIENT PROFILES

Barbara

Barbara is about 50 years old and has lived on a farm all her life. She had not worked off the farm since her marriage some 30 years ago. When her farm began to decline several years ago, Barbara visited the local Job Service to look for off-farm employment. Job Service had openings, but none of the positions Barbara was qualified for paid enough to cover her 50-mile commute to the city.

When Barbara read about the Farmer/Rancher Project in a local newspaper she called immediately to set up an appointment. She had expected to begin some technical training, but when project staff suggested the possibility of training at a local hospital Barbara jumped at the opportunity.

The training program lasted six months and combined classroom instruction and on-the-job training. The hospital paid Barbara during this entire period, while the demonstration project covered a portion of her wages through an OJT contract. Since beginning her training Barbara has had to decrease her work on the farm, but her husband has taken up the slack. As a result of her new work she has gained confidence in herself and her abilities. Barbara now works full-time at the hospital and appreciates the income and time away from the farm. Several other farm spouses have asked her ask about her experiences, and Barbara has referred them to the demonstration project.

Ken

Ken is in his late twenties, grew up on a farm, and has been struggling to keep his own farm for more than five years. He is married and has three young children, one of whom was born only shortly after he enrolled in the demonstration. He has a small livestock operation and has been battling foreclosure for several years.

Ken first heard about the Farmer/Rancher Project through his Agricultural Mediation Service negotiator. He had a great deal of electrical experience and hoped to enter a suitable training program, but the nearest course offered was 300 miles away. With a pregnant wife and two small children, Ken decided that he could not leave home to attend training and decided to seek an OJT instead. He soon found a truck driving position with a local farm implements dealer, and hopes to move up to a mechanic position. Ken would prefer to work on a farm, but the new job pays relatively well and offers steady work.

SOUTH DAKOTA: AGRICULTURAL COMMUNITY IN TRANSITION

The program in South Dakota was a demonstration within a demonstration. Hiring three outreach workers in November 1991 made all the difference.

-- Bill Molseed, Demonstration Coordinator

CONTEXT

South Dakota covers a vast, sparsely populated area divided by the Missouri River into two distinctive regions: "Westriver" is mainly arid ranchland, with huge cattle ranches and Indian reservations, bordered on the far West by Rapid City and famous tourist attractions such as Mt. Rushmore and the Black Hills. "Eastriver," with its gently rolling hills, is dominated by crop farms that produce soybeans, corn, wheat, hogs and dairy products. The most agriculture-dependent state in the country, South Dakota has approximately 30,000 farm and ranches, ranging from an average of about 400 acres in the east to thousands of acres in the western beef-cattle ranches.

Although the western ranches have suffered from severe drought conditions the last few years, the high price of beef has kept the majority of operations solvent. Eastriver farmers, by contrast, struggle with many of the same hardships as their neighbors in Minnesota and Iowa: depressed land values, subsidy cuts, restrictive loan policies and generally poor commodity prices.

If Indian reservations are excluded, the South Dakota economy and labor market are fairly stable, but not thriving. The unemployment rate was only 3.1% statewide at the end of the demonstration, but was much higher in remote, rural regions. Sioux Falls stands out as a regional success story, and has experienced strong growth in the last few years, along with a healthy job market.

OVERVIEW

South Dakota is the only grantee in the EDWAA Farmers and Ranchers Demonstration that attempted from the outset to provide services to farmers statewide. South Dakota is a single-SSA state, and its JTPA services are administered from state offices located in Pierre. The Agricultural Community in Transition program (ACT) was managed by the EDWAA Coordinator, who is responsible for the entire Title III program, including Rapid Response activities. Service delivery was accomplished

through one of nineteen Job Service offices and ten Career Learning Centers (private, nonprofit JTPA service providers) located throughout the state.

ACT was originally designed with the premise that farmers could be recruited, enrolled, served and placed by relying exclusively on existing institutions and staff. Clients would be recruited primarily by Extension agents, provided with Basic Readjustment Services primarily by Career Learning Centers (CLCs) and then referred to the local Job Service representative for job development and placement. No new staff was initially hired at either the CLCs or the Job Service offices (three outreach workers were hired 18 months after the program started). Counselors and representatives simply added farmer clients to their existing caseloads, treating them no differently from other clients. The philosophy driving this decision was to "spread the dollars out across as many clients as possible." The results of such a strategy in the case of South Dakota were decidedly mixed.

ACT is a program that, perhaps more than any other program described in this chapter, evolved steadily from its start in July 1990. By March 1991, one year after it started, ACT had enrolled only 64 participants and expended only 12% of its budget. In the fall of 1991, partly due to lessons learned at the EDWAA Farmers and Ranchers conference in Sioux Falls, which brought together staff from all four demonstrations, the demonstration coordinator decided to hire staff exclusively for ACT. Three outreach workers were recruited and trained in November 1991. Each worker covered assigned areas in the northwest, north central and northeast sections of the state. In January 1992, enrollment began to pick up, and by April 1992, enrollment had reached 181 participants, an increase of 67% over one quarter. Approximately 80% of these new enrollments are credited to the outreach workers' three months of activity.

A second fundamental change in the South Dakota program was implemented at about the same time. In addition to targeting farmers who had already lost or were about to lose their operations, ACT began to recruit farmers who were "at-risk" and needed assistance to keep their farms. At-risk farmers are now actively referred to the Adult Farm/Ranch Business Management Courses, and their tuition is picked up by the state.

COORDINATION AND INTEGRATION

ACT's designers intended for the program to be integrated well with other agencies serving farmers. Strong coordination was critical for the program's success because no new staff, agencies or services were part of the design. The ACT program

was modeled on its predecessor, Rural Renaissance, an employment and training program for farmers hit by the crisis of the mid-1980s, which both created and benefited from close ties with other organizations.[4]

A task force with representatives from a variety of organizations was set up in the early months of the demonstration, and met once in Fall 1990. However, the task force soon disbanded, proving to be ineffectual in improving the integration of ACT with other resources.

At the local level, relations between the two key agencies, the CLC and the Job Service, tended to be weak at best and in some places, hostile. Outreach and recruitment were hampered by weak or nonexistent relationships with the local Extension agents, farmers organizations and banks.[5] Poorly informed Job Service representatives would sometimes fail to identify farmers who showed up at Job Service offices as eligible for ACT, or refer them to the CLC for assessment and training referrals. CLC staff tended to distrust Job Service offices, and sometimes avoided referring ACT clients to Job Service for job placements. At many levels and across many organizations, coordination and integration between the ACT program and organizations that could have enhanced outreach, recruitment, training and placement never occurred.

TARGET POPULATION AND ELIGIBILITY CRITERIA

The South Dakota demonstration had relatively liberal eligibility criteria. Clients did not need to show proof that their businesses were actually failing, but only that the clients had been dislocated from a farm or were at risk of failure. "At-risk" was defined as having "severe financial difficulties," and could be documented with a statement to

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[4]The Renaissance was a state (and later federally funded) response to the farm crisis of the 1980s, and offered a range of employment and training services to dislocated farmers. The state allocated nearly three million dollars and offered large scholarships to pay for long-term training. The Department of Agriculture was the administrative agency. In many respects, ACT was designed to fit into the niche vacated by the Renaissance when it ceased in 1988, and similar relationships with agencies such as the Department of Agriculture, the Cooperative Extension Service, the Department of Human Services and the Office of Adult, Vocational and Technical Education were envisioned for ACT.

[5]An interesting anecdote illustrating the difficulty the ACT program (as well as the other demonstration projects) had in working with Extension agents is that the only area in South Dakota where the Extension agent was aware of and at least formally supportive of the ACT program was one where the agent was married to a key ACT staff person. The latter admitted in an interview that she found it difficult to persuade even this agent to refer farmers to her program.

that effect from a lending institution. Despite these relatively liberal eligibility guidelines, until the program hired new staff and changed their targeting policy to include farmers who were not actually in the process of foreclosure, enrollments remained quite low relative to the other demonstrations. This is particularly noteworthy given that the catchment area for ACT -- the entire state -- includes over 30,000 farms, a larger pool of potentially eligible farmers than any other state in the demonstration.

OUTREACH AND RECRUITMENT

During the first phase of the ACT program and before the outreach workers were hired, ACT participants heard about the program by word of mouth, newspaper articles, or through earlier contacts with Job Service or JTPA. The referral sources originally envisioned failed, in most cases, to materialize. Farm mediators, extension agents, farm credit counselors, the Farmers Union and the Farm Bureau did not refer many clients to the program. In some local areas, CLC staff attempted to distribute flyers about the program to lending institutions, but the response was disappointing.

In the fall of 1992 the program hired three new outreach workers, all with farm backgrounds. In addition to relying on their personal networks, these workers appeared on talk shows, advertised in the local media, and attended community meetings, auctions and other events in a new, aggressive campaign to get the word out. These efforts resulted in a dramatic increase in enrollments of 67% in just three months.

SERVICES

The ACT program was designed to offer the full array of EDWAA services, including assessment, counseling, legal services, support services, basic readjustment services, classroom occupational skills training, OJT and job placement. The CLCs specialize in providing Basic Readjustment services, including assessment, vocational counseling, pre-employment training, referrals to training, short-term clerical brush-up courses, and some job placements. In practice, ACT clients did not receive referrals for financial, legal or mental health counseling, but received assessment using a variety of standard tools. In some areas of the state, job search assistance was provided by CLC staff and in other areas through Job Service Offices.

Occupational skills training was available through one of the four vocational-technical colleges in the state or through private training facilities. Long-term training was not heavily used by ACT or other JTPA clients. CLC staff had to apply to the

demonstration coordinator in Pierre for permission to enroll clients in training for two-year associate degrees, a step that discouraged staff from enrolling clients in long-term training.

OJT as a training option for JTPA clients in general or ACT participants in particular was not actively discouraged in South Dakota as it was in some other states (e.g., Iowa). Some local areas within the state relied heavily on OJT for those who did not need or want classroom training. One CLC director told the research team that farmers do not feel comfortable in the classroom, so she tries to find them quick placements or OJT.

The South Dakota Division of Vocational Education offers an Adult Farm Ranch Business Management Program to farmers who need training in the business end of farming and ranching. About twelve instructors cover the state, teaching between 30 to 40 farmers and ranchers during the winter months. Students receive classroom instruction and on-farm personal tutoring sessions with the instructor. A focus of the program is to train farmers in the use of computers to help them manage their business and plan for the future. After January 1992, the ACT program actively referred farmers to this program and paid the tuition.

The designers of ACT envisioned generous support services for ACT clients, but in practice only a fraction of clients received support, and those that did received relatively little. Most support services were for gas money, to help clients travel from often remote farms to town for training or work. No needs-based payments were offered and relocation assistance was used rarely.

OUTSTANDING FEATURES

A crucial component of service delivery -- outreach and recruitment -- was seriously underdeveloped during the first eighteen months of South Dakota's program, hampering its full implementation. Nevertheless, several features of the ACT program stand out. These features are not necessarily positive, but distinguish ACT from the demonstration programs in other states.

- **The involvement of private, nonprofit organizations in service delivery.** Although the Career Learning Centers rely almost exclusively on JTPA funding, and tend to be located in small towns and cities, their role in the ACT program was beneficial. With a professional, efficient atmosphere, and dedicated well-

trained staff, the CLCs were key factors in the provision of basic readjustment services to dislocated farmers.

- **ACT was the only one among the four demonstration programs that covered the entire state.** The ambitious goal to offer services to all the state's farmers was unique among the demonstrations and for most other programs of this kind. After initial phases, the program continued to provide demonstration services statewide but concentrated resources in certain areas.

- **The ACT program had a highly centralized administrative structure, with state offices in Pierre involved in most aspects of the program, including day-to-day operations.** Many clients actually made direct contact with the program coordinator in Pierre for personal counseling and referrals. The statewide coordinator made many decisions about enrollments and training.

- **The South Dakota program relied heavily on existing JTPA service delivery systems.** With the possible exception of the North Dakota project, ACT was more integrated into the Job Service and JTPA service structure than any other program.

SOUTH DAKOTA CLIENT PROFILES

Eric

Eric is a 37-year-old, childless and divorced former farmer who farmed in the Huron area for 15 years until his farm went under for good in 1991. It was a dairy farm with 200 cows on 1200 acres. He had struggled to keep the farm for years, working full-time off-farm during the day and farming by night. When his wife divorced him the year before, he attempted suicide, which brought him to the attention of the local Mental Health office. Although the Mental Health services referred him to the local Career Learning Center, staff there were already aware of Eric as a former JTPA client.

The ACT program enrolled him, and placed him in an OJT at a local home for seriously disturbed adolescent boys. When the OJT ended he was hired by the institution, and paid $6.29 an hour, worked 34 hours a week, usually taking the late afternoon and evening shifts. During the day he attended school, working towards a two year associate degree that will allow him to be promoted at the institution to a Group Leader job. Eric's personal goal is to be come a psychologist.

Hank

Hank is a former alcoholic, about 55, and the divorced father of four children. After many years of hard struggle, Hank's farm finally went into bankruptcy in 1990. Hank, whose former wife had been a JTPA participant, contacted the local Career Learning Center during the spring of 1991, and received an assessment. During the summer he worked on neighbors' farms, and in the fall, CLC staff brought him into the office again to consider an OJT. Hank was placed with a local office equipment sales and repair business, where he drove a truck all over the state to make deliveries and repairs.

Hank's preference was to work outside and doing physical labor. He was pleased with the job, and expected to keep it, confessing that he had been in the wrong job for 25 years.

CHANGES IN THE DEMONSTRATION PROJECTS

Over their three and a half years of operations, the four demonstration projects had the opportunity to adjust their programs considerably. Indeed, demonstration grantees were encouraged by the Department of Labor to experiment with their approaches to farm and ranch dislocation, and to innovate to better serve the farm and ranch population. In some case the grantees responded to this encouragement with substantial changes in their program designs, but in other cases they chose to continue with services as originally proposed in their applications to the Department of Labor. This section reviews the most significant changes implemented by the four projects over the course of the demonstration, and concludes by examining their post-demonstration plans.

Table IV-1 summarizes the basic characteristics of the four projects at a glance, as of the outset of the demonstration. Major differences and similarities in design can be easily discerned here. Several significant changes in program design since the beginning of the demonstration are identified in footnotes. These and other changes are discussed in detail below.

Target Populations

At the outset of the demonstration, Iowa, Minnesota, and North Dakota targeted both dislocated and at-risk farmers, ranchers, their families, and farmhands. South Dakota, by contrast, originally sought to serve dislocated individuals only. After the first year of the demonstration, in response to low enrollments and under-expenditures, South Dakota redefined its target population to match the remaining demonstration projects.

Although dislocated farmers and ranchers were eligible for services from all four demonstration projects, they did not comprise a substantial proportion of the participants served in any of them. In some cases this result can be traced to recruitment difficulties: even though it concentrated on dislocated farmers and ranchers in its first year, the South Dakota project only enrolled a handful.

In the other projects, and in South Dakota after the first year, our interviews with demonstration project staff suggest that this result is partly due to intentions. According to many of the staff we spoke with, at-risk farmers were their first priority. This prioritization was not explicit in grant applications or other project literature, but was frequently cited by staff, especially those who worked most directly with clients.

Table IV-1

Selected Demonstration Project Features, at Outset

Feature	Iowa	Minnesota	North Dakota	South Dakota
Primary Target Populations	At risk and dislocated farmers	At risk and dislocated farmers	At risk and dislocated farmers	Dislocated farmers[a]
Role of State-level JTPA Agency	EDWAA special projects coordinator oversees project, provides support, sets standards	Performs minimal fiscal monitoring	JTPA coordinator directs project	EDWAA coordinator directs project
Administrative Entity[b]	2 SSAs	1 SSA	SSA in single-SSA state	SSA in single-SSA state
Number of Sites/Offices	1 at a community college and 1 at SSA office	3 SSA field offices	2 independent offices	29 (10 CLCs and 19 Job Service offices)
Specialized Staff	2 full-time outreach/case managers	2 full-time outreach workers	2 full-time outreach/ mediators, 2 full-time case managers/job specialists[c]	None[d]
Service Priorities/Emphasis				
• Mental health counseling[e]	X	X	X	
• Extensive assessment and vocational counseling	X	X	X	X
• Financial and legal services	X	X		
• Occupational skills training	X	X	X	X
• Long-term training (at least 2 years)	X	X		
• OJTs			X	X
• Job Search and Placement			X	X
• Farm management skills training	X	X	X	X[a]
• Support services	X	X		
• Case management	X		X	

[a]After Fall 1991, South Dakota began to target at-risk individuals and added farm management skills training to its services.
[b]Sub-state areas (SSAs).
[c]Staffing in North Dakota changed considerably over the course of the demonstration. See text for detail.
[d]After Fall 1991, 3 full-time outreach workers were hired.
[e]Includes formal and informal counseling and support.

OUTREACH AND OTHER SERVICES

As originally designed, the day-to-day operations of the four demonstration projects shared many key features. As detailed in their original grant applications three of the four projects (Iowa, Minnesota, and North Dakota) planned to employ specialized recruitment staff, provide most services in independent offices or at the homes of clients, and coordinate closely with local human service agencies and organizations serving farmers. The remaining project (South Dakota) struck out on a different path, and proposed to utilize existing staff and offices.

As described above, South Dakota altered its plans greatly to increase its poor enrollment results over the first half of the demonstration. In addition to changing eligibility rules South Dakota hired and trained outreach staff whose sole purpose was to recruit participants for the demonstration. The outreach staff made frequent on-farm visits, and provided one-on-one counseling to farmer participants. As South Dakota's services came to parallel those of the other demonstration projects, enrollments increased sharply.

These experiences suggest that programs which seek to serve farmers and ranchers must concentrate on outreach. Farmers do not seek JTPA services on their own, but respond well to individual efforts to enroll them.

The services provided to farmers and ranchers after enrollment, however, seemed very similar to JTPA services available to non-farmer clients. Demonstration services such as occupational training, on-the-job training, and job search, for example, were largely similar to services provided in mainstream EDWAA programs and were provided without change over the course of the demonstration. Standard EDWAA services proved to be as suitable for farmers and ranchers as they are for other dislocated workers. This finding seems disappointing given the demonstration's goal of promoting innovation, but lends weight to arguments for serving farmers and ranchers through existing programs.

A significant exception to this general trend occurs in the entrepreneurial training experiences of the Minnesota project. Although Minnesota was not alone among the demonstration projects in providing entrepreneurial training, it was the most successful. Part of its success can be traced to an existing training program at a local educational institution, to which the Minnesota project referred participants interested in starting their own businesses. In the final year of the demonstration, however, Minnesota greatly improved upon these arrangements. Working with a local foundation, the project

introduced a loan fund to provide start-up capital to supplement its entrepreneurial training. The loan fund began operating too late in the demonstration to permit evaluation of its success, yet points to a potentially important service option for dislocated farmers and ranchers. As individuals with abundant small business experience and a wide range of skills, farmers and ranchers seem like a natural fit for entrepreneurial training. In addition, the scarcity of jobs in rural agricultural areas makes job creation an attractive option for rural economic development. Few farmers at risk of dislocation, however, have the necessary capital to start their own businesses, regardless of the potential. By supplementing entrepreneurial training with a secure source of start-up capital, Minnesota has created a promising new option for dislocated farmers and ranchers.

SERVICE AREAS

All of the demonstration projects, except for South Dakota, originally planned to concentrate their resources in limited areas instead of trying to spread them throughout the project's state. In Iowa, demonstration services were limited to two substate areas. In North Dakota, the demonstration began in two multi-county regions. In Minnesota demonstration services were available in a single SSA.

The demonstration service areas remained constant in two states, Iowa and Minnesota, over the course of the demonstration. In South Dakota the effective area of the demonstration shrank with the addition of three outreach workers assigned to individual offices within the state JTPA system. Services to farmers and ranchers increased in these new offices, but changed little in other areas of the state.

North Dakota's demonstration project moved in the opposite direction. The project began in two small, independent offices, but eventually expanded to cover the entire state. In the course of this expansion the project's services to farmers and ranchers were diminished significantly. Although services to farmers were provided in independent offices at the beginning of the demonstration, at the end services were available in existing Job Service offices only. Farmers and ranchers recruited early in the program worked with case managers who served farmers exclusively; by the end of the demonstration these case managers were responsible not just for farmers, but for clients from all JTPA programs. Staff from the Agricultural Mediation Service participated fully in the demonstration at its start, but in its expanded form saw their time on the project shrink as their responsibilities were limited to referring potential clients to the program.

While South Dakota moved from a statewide program to a customized program, North Dakota did the opposite. These different approaches, however, tell much the same story: employment and training programs for farmers and ranchers are difficult to operate on a large scale. South Dakota experienced this difficulty early in the demonstration, and subsequently decided to concentrate its resources in a relatively limited area. North Dakota experienced this difficulty much later, in the final year of the demonstration, when it dispersed project resources to provide services to farmers and ranchers over the largest area possible.

POST-DEMONSTRATION PLANS

As the EDWAA Farmers and Ranchers Demonstration came to an end, farmers and ranchers throughout the Midwest struggled to salvage their operations after the wettest season in memory. Torrential rains had pounded farms in each of the demonstration states, flooding some so badly that no crops could be planted at all. Numerous counties served under the demonstration attained the status of "disaster area," attracting the attention of national media for several weeks, while accelerating long-term trends of farm and ranch dislocation.

In Iowa the force of the disaster was felt at the highest levels of the demonstration when the state project coordinator was forced to leave her offices due to flooding. Project activities were similarly disrupted across the state. Many of the activities begun under the demonstration project, however, seemed likely to continue after its end. With the award of a substantial federal grant from the Secretary's reserve, Iowa will continue to serve at-risk and dislocated farmers, and hopes to improve upon the services it provided under the demonstration.

In Minnesota the end of the demonstration has meant a decline in services to farmers. Dislocated farmers are still eligible for EDWAA services, but at-risk farmers cannot be served, and outreach activities have been severely curtailed. South Dakota faces similar circumstances. After improving upon its original plans by hiring specialized outreach staff, South Dakota has returned to its pre-demonstration arrangements for serving farmers and ranchers. Farmers and ranchers will continue to be served in both of these states, but they may not be served any differently than they would have before the demonstration.

In North Dakota the demonstration will also end, but the project hopes to see some of its lessons reflected in improved services to farmers and ranchers within the

existing JTPA system. Coordination linkages between the Job Service and the Agricultural Mediation Service that were initiated during the demonstration will continue even after it ends. AMS staff throughout the state have been directed to continue referring their clients to the Job Service, and the two organizations have entered into a cooperative agreement to support this effort. By using the demonstration to improve coordination, North Dakota may have increased its long-term chances for enrolling farmers in EDWAA programs throughout the state.

Although the demonstration projects have ended, they continue to offer lessons for future programs. These lessons are explored more fully in the chapters which follow. Chapter V begins this exploration with an analysis of the characteristics of demonstration participants.

V. Enrollment Patterns and Participant Characteristics

As part of the evaluation effort, we analyzed a rich set of client-level data detailing the characteristics of program participants, the services they received, and their outcomes. Specifically, we have:

- Information from the states' Management Information Systems (MIS) on the basic demographic and other characteristics of *virtually all* participants served by the demonstrations, as well as general measures of their services and outcomes at termination and three months later. The number of cases totals 1,476 participants.[1]

- For 608 of these participants, richer, more detailed information from the Participant Information Form (PIF). The information is about their farm and family financial circumstances before their enrollment in the program, and their farm and off-farm employment three months after they left the program.

- Long-Term Follow-Up (LTF) data on 247 participants (of the 608). The data pertain to farm and off-farm employment of this subset 15 months after participants left the program.

Thus, we have basic information for nearly all persons served by the demonstrations and much more detail for substantial subsets. Additionally, each of the demonstration projects provided us with aggregate information on their expenditures and the number of persons they enrolled over time.

Data on enrollments and client characteristics are presented in this chapter. The next chapter discusses the services provided by the demonstrations, the outcomes obtained by participants, and the relationship between the two. Complete descriptions of the data sources are presented in Appendix A.

[1]The participants for whom we have these data include all those enrolled from the start of the demonstration until the end of June 1993, approximately 75 participants were enrolled after that date.

PATTERNS OF ENROLLMENTS AND TERMINATIONS

The Trend in Enrollments

When the demonstration projects received word that their grant applications had been awarded, effective July 1990, one of their first tasks was to implement a strategy for recruiting participants. We have discussed how difficult it is to recruit farmers and ranchers into employment and training programs. Their independence, scorn of government "handouts," and reluctance to admit to themselves or others that their farm is failing can make them hesitant to seek assistance or even accept it once it is offered. Recognizing this at the outset, the demonstration projects paid particular attention in their grant applications to outreach and recruitment methods. Once awarded their funds, all the projects undertook a media blitz to "get the word out." All the projects attempted to work with other agencies and organizations serving farmers (e.g., banks, agriculture mediation agencies, extension agents) to put effective referral mechanisms in place. And all the projects either already planned or soon recognized the need to hire specialized outreach and recruitment workers, whose job it would be to follow-up leads and play the persistent suitor to persons who could benefit from services but were unwilling to commit themselves. South Dakota, which originally intended to rely primarily on referrals from county extension agents to build up its caseload, after a time hired specialized outreach workers of its own when its initial plan bore little fruit.

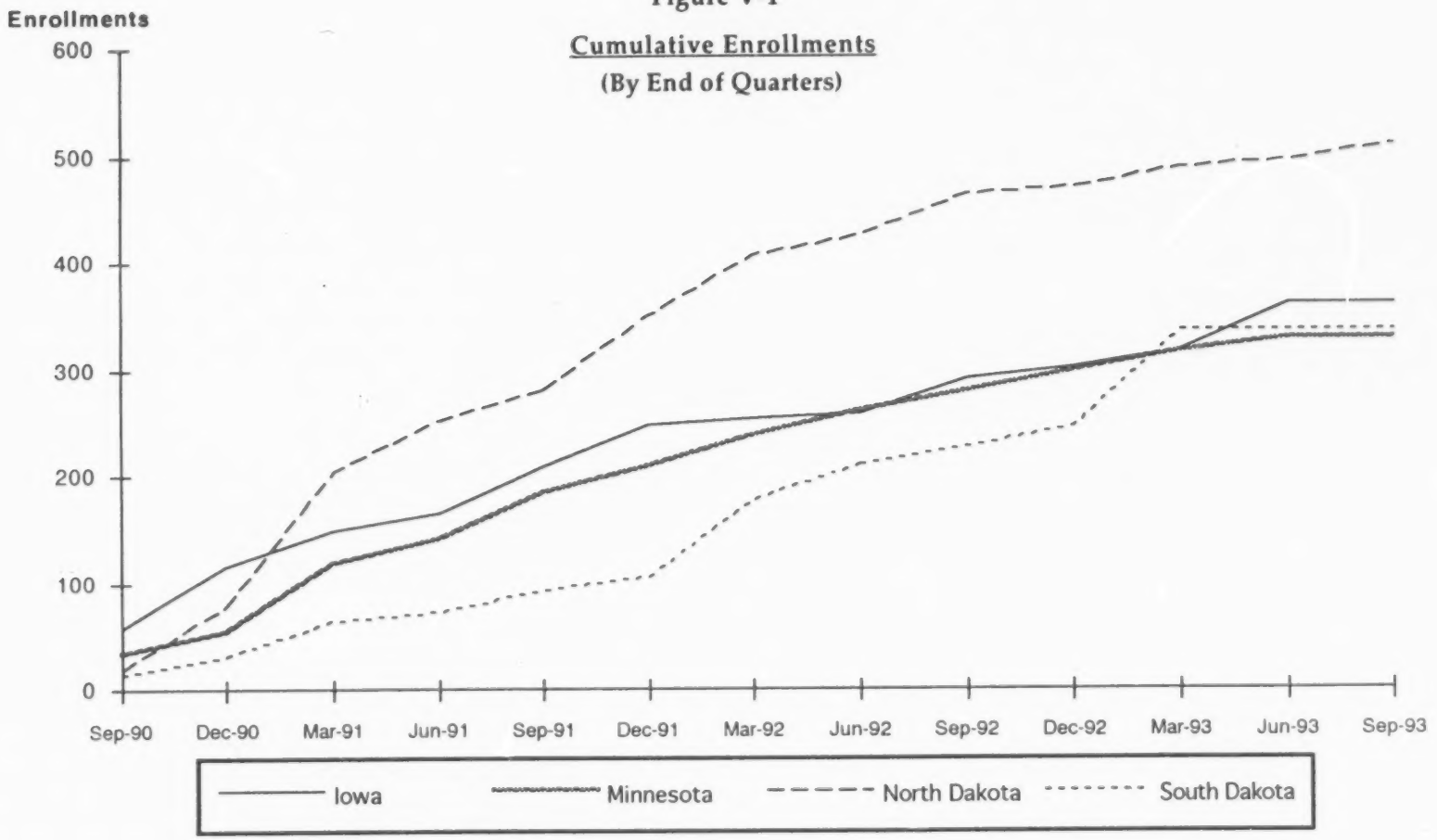
Given the complexity of these undertakings, it should come as no surprise that the demonstration projects were slow to build up their caseloads. Figure V-1 shows the cumulative, or total, number of participants served by each of the demonstration projects from their start in July 1990, when funding began, to September 1993, when funding ceased; the upswing in the curve represents new enrollments at each time interval.

Iowa stands out as having gotten off to a quicker start than the other projects, presumably because it had recent experience serving farmers under a discretionary grant and already had strong referral mechanisms in place. In the 3 remaining projects, relatively few participants were being served early-on, and these were sometimes persons who were already being served under the substate area's (SSA) formula-funded EDWAA program and who were transferred over to the demonstration project when it became apparent that they met its eligibility rules. The flatness of the curve in these three projects through the end of 1990 reflects the fact that very few new participants were recruited, as specialized outreach workers were still being hired and trained and print media and radio ads were being developed and aired.

Figure V-1

Cumulative Enrollments

(By End of Quarters)



After several months' time, these efforts began to pay off in Minnesota and North Dakota, as enrollments began an upturn that continued steadily thereafter. By contrast, its restricted eligibility rules and the absence of specialized outreach workers limited South Dakota's enrollments until well into 1991. Its enrollments began to catch up only during 1992, after it hired outreach workers and expanded eligibility to include the at-risk as well as the dislocated. Thus, as of the end of 1991 all 4 projects were relying on specialized outreach workers and were recruiting both at-risk and dislocated farmers and family members.

By the end of the demonstration South Dakota, Iowa, and Minnesota had enrolled approximately 350 participants each. North Dakota outpaced the others with over 500 participants.

The Current Status of Participants

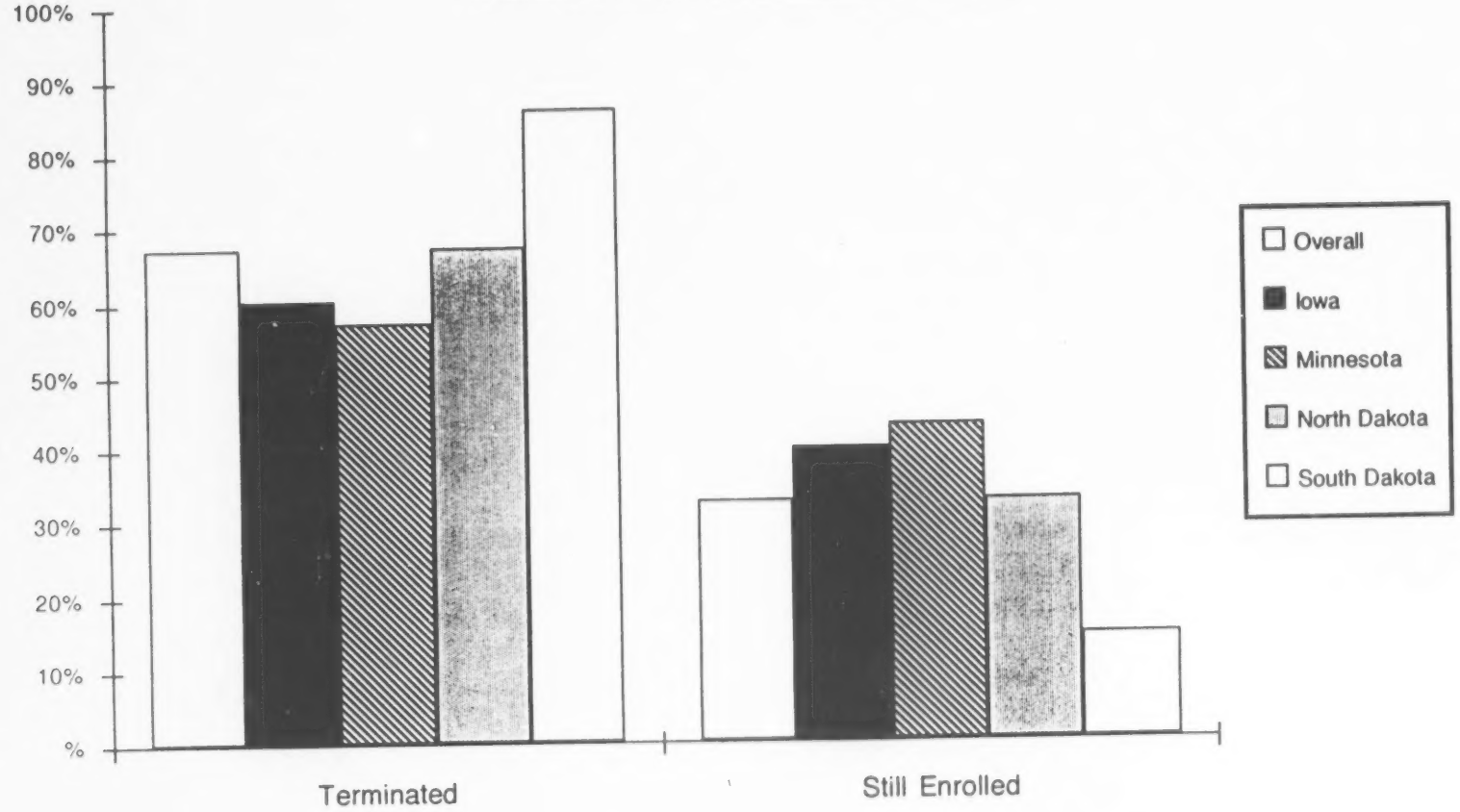
As shown in Figure V-2, about one-third of all persons served by the demonstrations had not yet terminated by June 1993, although funding for the Farmer/Rancher Project was soon to end. However, this rate varies somewhat across the demonstrations. It is highest in Iowa and Minnesota (where about 40% of all enrollees had not yet terminated), somewhat lower in North Dakota (at 33%), and lower still in South Dakota (at 14%).

Given that relatively few new enrollments occurred in Iowa, Minnesota, and North Dakota in the final year of the demonstration (as we learned from Figure V-1), the many participants who had not yet terminated in these programs is a reflection of the fact that participants tended to remain enrolled quite a long while before termination. Indeed, as we learned from the site visits, the Iowa and Minnesota programs were quite willing to enroll participants in classroom training programs lasting one year, two years, or even longer. Consistent with its emphasis on shorter-term training and services, South Dakota managed to terminate all but 14% of its participants by June 1993, despite the fact that it had substantially more new enrollments in the final year.

Program administrators' plans for people who had not completed training by the demonstrations' end called for them to be transferred to the EDWAA formula-funded program or served in some other way, if possible. Those who did not meet the eligibility guidelines of any other program being operated by these SSAs were to be terminated.

Figure V-2

Status of Participants at End of Demonstration



Without the supportive services and funding for tuition provided by the demonstrations, some persons thus would have had to drop out of training mid-stream.

PARTICIPANT CHARACTERISTICS

Chapter II discusses the pervasiveness of farm dislocation in the demonstration states and, indeed, throughout much of the nation. What were the characteristics of the persons being served by the demonstration projects?

. Farming Status

Precise eligibility rules varied from state to state and, at least in South Dakota, changed appreciably over time. Nonetheless, participation was generally restricted to dislocated farmers and ranchers or those at risk of dislocation, their family members, and their employees.

When asked to describe their primary status in the 12 months before enrollment, about one-half of demonstration participants classified themselves as farmers. Another one-quarter were spouses of farmers, and a small number (about 6%) were other family members. Many farmers and family members no doubt enrolled in the program expecting to receive help in farm management or assistance in finding off-farm employment, so that their family could boost or supplement its farm earnings and thus continue farming indefinitely. Others, whose farms' financial situations may have been more precarious, recognized that their farms' demises were inevitable and were looking, however reluctantly, to begin a new career and way of life.

About 9% of the participants indicated that they or their spouses had already left farming at least 6 months before enrollment. Obviously, they were much further along in their transition out of farming, but felt that with additional training or services they could get their career on a more solid footing.

Finally, another 9% were hired farm hands, who were required to have been adversely affected by farm failures.

Once the four demonstration projects had matured beyond the first year of implementation, they had very similar eligibility rules and overall recruitment goals. Moreover, as detailed in Chapter IV, their outreach and recruitment practices were broadly similar, in that a core set of strategies—involving intense promotion and the use

of specialized outreach workers who would make personal on-farm visits when necessary—were ultimately used by all programs and proved to be highly effective and to some degree even indispensable. These similarities explain why the client mix looks much alike from one demonstration project to the next. As shown in Table V-1, farmers and their spouses made up 71% to 78% of participants in all four programs.

Some differences emerged, however. Most noticeably, South Dakota served many more farmworkers than any of the other states. It also served fewer participants who were already dislocated, at just 4%, compared to 8% to 12% in the remaining demonstrations.[2] This latter result is somewhat surprising, because South Dakota alone among the demonstrations concentrated for a long while on serving *only* those already or soon-to-be dislocated.

Demographic Characteristics

The homogeneity in the demographic composition of the general population of farmers in the demonstration states gives rise to additional similarities across the programs in who was being served. For example, as Table V-2 shows, close to 100% of the participants in all four states were white non-Hispanics, with just a smattering of others (who were primarily American Indians). Similarly, the demonstration participants were generally well-educated. Very few had not attained at least a high school education, and about half had attended postsecondary school.

In keeping with their ethnicity and generally high levels of education, virtually none of the participants had limited English-language proficiency and relatively few could not read at least at the 7th grade level. Reading skills were somewhat more likely to be deficient among participants in South Dakota than elsewhere.

Family status is another dimension on which the client mix in the four programs was uniform, at least in that very few participants were single parents. By contrast, most participants (at least those in the two states reporting this detail) were parents in two-parent households or other family members. Thus, intact families seem to be very much the norm. Of these two states, Minnesota was more likely to be serving family members other than household heads, consistent with evidence from Table V-1 that more of its

[2]Throughout this and the next chapter, we draw attention in the text to differences across groups that attain statistical significance at least at the .10 level.

Table V-1

Preprogram Employment Status of Participants (%)

	Overall	Iowa	Minn.	N. Dak.	S. Dak.
Primary Status					
Farmer	49.1	54.3	42.2	48.2	53.5
Spouse of Farmer	27.0	21.9	28.9	30.2	23.6
Dependent of Farmer	5.7	11.4	10.9	3.2	0.0
Hired Hand	9.1	3.8	8.6	6.3	18.9
Dislocated Farmer or Spouse	9.1	8.6	9.4	12.2	3.9
Number of cases	582	105	128	222	127

Note: Data are available for the subset of participants who were administered the Participant Information Form. A small number had missing data on this item. The question asked "[in the] twelve-month period before you started the program... were you primarily...," with the choices included on this table. See the Appendix for details.

Table V-2

Demographic Characteristics of Participants (%)

	Overall	Iowa	Minn.	N. Dak.	S. Dak.
Race/Ethnicity					
White (non-Hispanic)	99.3	99.7	100.0	98.8	98.7
Other	0.7	0.3	0.0	1.2	1.3
Education					
Current high school student	NA	2.4	0.9	0.0	NA
Dropout	NA	3.0	4.6	7.4	NA
High school graduate	NA	50.3	42.1	46.4	NA
Some postsecondary	NA	44.3	52.4	46.2	NA
Basic Skills Proficiency					
Has limited English-speaking proficiency	0.1	0.0	0.0	0.2	0.0
Reads below the 7th grade level	4.1	1.2	1.2	4.8	8.8
Respondent is					
A single parent	3.7	4.2	5.2	3.0	2.8
A parent in a 2-parent household	NA	NA	63.1	NA	81.1
Another family member	NA	NA	17.1	NA	4.1
An independent individual	NA	NA	14.6	NA	12.0
Number of cases	1,476	332	328	498	318

Note: Data were provided for all participants from the states' MIS. Iowa and North Dakota did not provide information on their participants' family status, beyond indicating whether the respondent was a single head of household.

participants were dependents of farmers. Individuals living alone (i.e., without other family members) comprised the remaining 12% to 15% of participants.

Table V-3 shows for each demonstration project the age and gender distributions of:

- All participants.
- Participants who identified themselves as "primarily farmers."
- For purposes of comparison, the general population of farmers living in the state, as reported in the *1987 Census of Agriculture*.

On average, demonstration participants were relatively young. From one-third to nearly one-half were under age 35, and in each program about three-quarters were under age 45. Relatively few were age 55 or older. Although males made up the majority of participants everywhere, many females also were served -- especially in Iowa and Minnesota, where the gender mix was nearly even.

Among participants who identified themselves as "primarily farmers" in the year before enrollment, the age and gender mix changes appreciably. Farmers served by the demonstrations were overwhelmingly (i.e., 86% or more) male. They also were less likely than other participants to be young (i.e., under age 35) and more likely to be middle-aged (aged 35 to 54).

Nonetheless, farmers who were participants still were much younger than the general population of farmers in these states and in particular were much less likely to be aged 55 or over. In all four states, over 40% of all farmers were this old, compared with only a small proportion of farmers served by the demonstrations. A likely explanation for this disparity is that older farmers are generally much less likely to find themselves at risk of dislocation. As discussed in *Trends in Farm and Ranch Dislocation*, older farmers generally are less likely to be highly leveraged and hence do not find themselves saddled by the high levels of indebtedness that are sometimes the undoing of younger farmers trying to establish themselves.

Table V-3

Age and Gender Distribution of Participants Compared to Farmers in General, by State (%)

	Iowa			Minnesota		
	Demo Participants		All Farmers in State	Demo Participants		All Farmers in State
	All Participants	Farmers only		All Participants	Farmers only	
Age						
Less than 35	48.8	21.1	19.3	48.8	33.3	19.7
35 to 44	27.1	31.6	20.2	29.6	38.9	21.7
45 to 54	16.6	35.1	20.7	17.1	24.1	21.5
55 and over	7.5	12.3	39 .8	4.6	3.7	37.1
Gender						
Male	52.7	86.0	96.8	55.2	88.9	96.8
Female	47.3	14.0	3.2	44.8	11.1	3.2

	North Dakota			South Dakota		
	Demo Participants		All Farmers in State	Demo Participants		All Farmers in State
	All Participants	Farmers only		All Participants	Farmers only	
Age						
Less than 35	33.9	29.9	21.8	37.7	36.8	20.0
35 to 44	38.2	33.6	21.4	38.1	44 .1	19.4
45 to 54	22.3	29.9	18.8	17.6	17.7	18.4
55 and over	5.6	6.5	38.0	6.6	1.5	42.2
Gender						
Male	69.9	92.5	97.7	64.5	89.7	96.5
Female	30.1	7.5	2.3	35.5	10.3	3.5

Note: Data for all farmers in the state are taken from the *1987 Census of Agriculture*, various tables. Data for all demonstration participants are from the states' MIS; the number of cases for these tabulations are the same as those in the preceding table. The farm status of demonstration participants is identified from the Participant Information Form, administered to a subset of terminees; the number of participants who are farmers in the four states is 57 for Iowa, 54 for Minnesota, 107 for North Dakota, and 68 in South Dakota.

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Preprogram Income and Finances

At-risk farmers and their spouses were asked a series of questions about their family's financial condition and the solvency of their farms. These results, shown in Table V-4, depict the very high levels of financial distress experienced by most of these participants.

For example, annual household income levels in the year before enrollment were often extremely low. Overall, about 30% reported a total net family income that was less than zero, and another 30% had incomes of less than $10,000! Incomes of more than $20,000 per year were uncommon, reported by only about 13% of respondents. These levels of financial need were fairly uniform across most of the demonstration states, except that respondents in North Dakota reported somewhat lower average income levels, while those in South Dakota reported somewhat higher levels. Even in South Dakota, however, where twice as many earned $15,000 or more than in any other program, appreciable numbers of respondents were reporting poverty-level incomes.

The many households with net negative income bespeaks the financial vulnerability of many of the farms as enterprises. Data on the debt/asset ratio confirm the precarious state of many farms. Among respondents who knew their farms' debt/asset ratio, about three-quarters cited a value of above 40%, and many reported a value above 70%. As was described in Chapter II, the 40%-threshold is considered a predictor of debt repayment difficulties by many researchers, and for this reason several programs included farm families with a debt/asset ratio above this amount as automatically eligible for program services. All programs served many participants with high debt/asset ratios, although farms in North Dakota were somewhat more likely to be highly leveraged while those in Iowa were less likely to be so.

Curiously, a high number of farmer respondents and their spouses—28% overall and up to 46% in Iowa—didn't know their farm's debt/asset ratio. In some cases, respondents perhaps could not cite a figure from memory and did not want to take the time to dredge through their files; in other cases, "don't knows" may have been a farmer's polite way of refusing to divulge information viewed as confidential. Nonetheless, doubtless many farmers simply had not done the necessary computations, lending credence to tales we heard during the site visits that many farmers have never conducted a systematic assessment of their farm's financial situation.

Table V-4

Preprogram Financial Status of Participants, by Demonstration Program (%)

	Overall	Iowa	Minn.	N. Dak.	S. Dak.
Annual Household Income					
Net loss	29.5	30.3	27.0	39.2	13.8
$0 to $5,000	13.7	7.9	13.5	15.8	14.9
$ 5,000 to $10,000	17.4	22.4	23.6	15.8	10.6
$10,000 to $15,000	15.4	18.4	13.5	15.2	14.9
$15,000 to $20,000	11.2	7.9	11.2	6.4	22.3
$20,000 to $30,000	8.1	9.2	7.9	4.7	13.8
More than $30,000	4.7	3.9	3.4	2.9	9.6
Farm's Debt/Asset Ratio					
Don't know	28.0	46.2	22.5	22.2	28.6
Gave a value between:					
0% and 40%	24.4	43.2	27.9	13.7	29.6
41% and 70%	41.9	38.6	44.1	34.5	54.3
71% or more	33.7	18.2	27.9	51.8	16.1
In 5 years before enrollment did household ever:					
Apply for, but not receive a farm loan	50.5	65.8	33.7	61.1	35.7
File for bankruptcy or receive foreclosure notice	27.2	37.0	28.1	30.4	13.3
Not have health insurance	43.5	44.7	46.1	50.0	28.6
Not have enough money for groceries	39.2	49.3	49.4	36.8	26.5
Is a Food Stamp Recipient	8.0	9.6	10.7	5.8	6.9
Number of cases	430	76	89	171	94

Note: The item shown in italics was reported for all participants from the states' MIS; the number of cases for this item matches those shown in Table V-2. Other items are available from the Participant Information Form, administered to a subset of terminees; among these, only those who identified themselves as "primarily farmers" or "spouses of farmers" in the year before enrollment were asked these questions. The number of cases on which these figures are based is shown at the bottom of the table.

Farmers and their spouses also were asked a series of more general questions about farm and family finances, and these too paint a picture of high overall levels of need. In the five years before enrollment, about half were turned down for a farm loan, with farmers in Iowa and North Dakota particularly likely to report this difficulty. Over one-quarter filed for bankruptcy or received a foreclosure notice. Sometime in this five-year period, over 40% did not have health insurance covering all family members, and nearly as many reported that they did not have enough money for groceries at least some of the time. As with household income, South Dakota's respondents were somewhat less disadvantaged on each of these measures. In its push to increase enrollments after a very slow start, perhaps South Dakota was somewhat less selective in its targeting than the remaining demonstration programs.

All participants, whether farmers or not, also were asked whether their family received Food Stamps. Given the levels of financial hardship that we just described, surprisingly few participants—only about 8% overall—were receiving them. With so many participants reporting poverty-level incomes and difficulty buying groceries, one would think that many more would be availing themselves of this government service.

Preprogram Off-Farm Employment

Off-farm employment for one or more family members is a quite common means by which farmers are able to meet living expenses in the face of meager net earnings from farming. Demonstration participants were no exception in this regard. Farmers and their spouses were asked about whether they or other family members worked off-farm in the year before enrollment, and, if they did, they were asked to describe the jobs' characteristics.

Table V-5 shows that one or both household heads were employed off-farm in the year before enrollment in about 60% of the cases. In about 14% of the cases, both spouses worked. Off-farm employment was somewhat more common in Minnesota and Iowa. By contrast, it was a good deal less common in North Dakota, where fewer than half reported that at least one household head worked off-farm. These lower levels of off-farm employment may very well be due to the fact that off-farm employment opportunities are more scarce in sparsely populated North Dakota. In any case, the fact that many of the demonstration participants in all four states could count on at least some income from off-farm employment makes their low total family incomes, reported in the

Table V-5

Participants' Preprogram Off-Farm Employment (%)

	Overall	Iowa	Minn.	N. Dak.	S. Dak.
Did respondent or spouse work off-farm in year before enrollment					
Neither	39.4	29.3	29.8	51.0	36.7
Respondent only	25.7	25.3	27.4	24.5	26.7
Spouse only	21.5	26.7	27.4	14.8	23.3
Both	13.5	18.7	15.5	9.7	13.3
Number of cases	404	75	84	155	90
Long-term unemployed	16.8	19.6	29.0	6.0	18.2
Number of cases	1,476	332	328	498	318
Preprogram weekly off-farm earnings					
$1 to $100	14.3	11.8	6.8	13.2	26.9
$101 to $200	31.2	29.4	32.8	35.5	25.0
$201 to $300	23.2	27.5	25.9	18.4	23.1
$301 to $400	16.5	17.6	19.0	17.1	11.5
Over $400	14.8	13.7	15.5	15.8	13.5
Number of cases	237	51	58	76	52

Note: The item shown in italics was reported for all participants from the states' MIS. Other items are available from the Participant Information Form, administered to a subset of terminees; among these, only those who identified themselves as "primarily farmers" or "spouses of farmers" in the year before enrollment were asked these questions. Preprogram weekly off-farm earnings represent the combined earnings from off-farm employment of farmers and their spouses, excluding those cases where neither spouse had an off-farm job.

last table, even more remarkable. Clearly, the farms of many of those participating in the demonstration were generating negligible amounts of net income.

Although many respondents were working off-farm, others—including 17% overall and as many as 29% in Minnesota—reported that they had been unemployed at least 15 of the 26 weeks before they enrolled in the program. Thus, apparently many participants had given up farming and were not working off-farm for at least several months before they began receiving program services. This figure calls attention to the very gradual process by which at-risk farmers give up farming and the difficulty they and other family members have in establishing themselves in off-farm employment.

Unfortunately, even those families with at least one household head working in a job off the farm before enrollment could not count on much off-farm income. Weekly off-farm earnings, including combined earnings if both spouses worked, usually amounted to $300 or less—and often much less. Among those who worked, earnings were somewhat lower in South Dakota, but even in the remaining states earnings above $300 per week were relatively infrequent. As an annualized figure, $300 amounts to about $15,000 per year, assuming year-around employment. This might be enough for a family to make ends meet in a low-cost rural area, but surely will not suffice to enable the family to sustain heavy financial losses from farming and high levels of indebtedness. Thus, even in the 60% of families where at least one spouse worked off-farm, increasing income from off-farm employment was an appropriate goal for the demonstrations.

A typical pattern we heard about through the site visits was for one spouse, typically the husband, to engage full-time in farming, and for his wife to work off-farm "to put food on the table." Table V-6 shows that this pattern was more than anecdotal. Among persons who defined themselves as "primarily farmers," only 30% worked off-farm at all in the year before enrollment. By contrast, the majority (53%) of spouses were working off-farm. Among those who worked, whether farmers or spouses, about as many worked part-time as worked 35 hours per week or more.

Not surprisingly, farmers and their spouses worked at very different types of jobs in the year before enrollment. About one-quarter of farmers who worked were in agricultural jobs, perhaps working on a neighbor's or friend's farm for pay, for example. Another 30% were in blue-collar jobs, such as processing occupations or structural work (the construction trades, for example) and 25% were in miscellaneous occupations. Relatively few were in white-collar jobs or in service occupations. Reflecting the fact

Table V-6

Farmers'/Spouses' Preprogram Employment (%)

	Farmers	Spouses
Hours Worked Per Week		
Not working	70.8	47.0
1 to 20 hours	7.2	16.5
21 to 34 hours	5.0	13.5
35 to 45 hours	11.4	20.0
Over 45 hours	5.7	3.0
Number of cases	404	230
Type of Off-farm Job Held		
Professional, technical, managerial	5.7	25.8
Clerical and sales	7.3	27.5
Service occupations	6.5	30.3
Agriculture, forestry, fishery	24.4	2.8
Processing, machine trades, or benchwork	14.6	7.3
Structural work	16.3	1.1
Miscellaneous	25.2	5.1
Number of cases	123	178
Is the Job Seasonal? (% yes)	48.0	17.5
Number of cases	123	183

Note: Data are taken from the Participant Information Form. Tabulations for farmers are based on data for those who identified themselves as "primarily farmers" as well as for the spouses of those who identified themselves as "spouses of farmers." Similarly, tabulations for spouses are based on data for respondents who are spouses of farmers as well as for the spouses of respondents who are farmers.

that many of these jobs were in construction trades or agriculture, nearly one-half of the farmers reported that their off-farm jobs were seasonal.

By contrast, over 83% of spouses were in white-collar or service occupations, with professional/technical, clerical/sales, and service jobs about equally likely. Relatively few were in agriculture or any of the blue-collar occupations, and fewer than one-fifth of the jobs were seasonal.

Service to Multiple Family Members

Whenever a job displacement threatens, all family members can be affected because of the potential decline in the family's income. In farm families, effects can be felt even more directly, because often multiple family members are employed on the farm. Thus, a farm loss implies a need for retraining on the part of not only the farm operator but often also a spouse and older children as well.

We learned from our site visits that, indeed, the demonstration projects often viewed their task as serving a family, rather than any single family member. Thus, when a farm loss occurred or was imminent, one or more of the household heads, older children, and others involved in the farm operation may have undertaken retraining or received services. Similarly, in the case of participants attempting to stave off dislocation, one member might have enrolled in a farm management course while another sought training for off-farm employment to supplement the family's farm income.

The MIS data supplied by the demonstrations show clear evidence of these patterns. As Table V-7 shows, service to multiple members of the same family was quite common in all 4 programs. In Iowa, over 40% of all participants were receiving services along with other members of their family; in North Dakota the estimate is 34%; and in Minnesota and South Dakota the figure exceeds 20%.[3]

[3]The MIS data do not explicitly identify which participants are members of the same family. Our estimates are generally based on assuming that persons with the same last name who live in a family of the same size are related individuals living together. In the case of persons with very common last names, this may result in a false attribution; i.e., two unrelated individuals may by happenstance have the same last name and live in families of the same size. However, the overwhelming majority of participants have last names that seem quite unique, so misattributions are probably infrequent. More common may be instances of related persons with the same last name who live in different households and in families of different sizes (e.g., a father and adult son who do not live together yet co-own a farm and work it together). Because their family sizes differ, such individuals would not be categorized as related individuals in this table. For this reason, the figures should be viewed as a conservative estimate of the frequency of service to persons who are related.

Table V-7

Service to Multiple Members of Same Family (%)

	Number	Percent
Iowa	133	40.1
Minnesota	84	25.6
North Dakota	171	34.3
South Dakota	71	22.3

Note: Figures were computed from the states' MIS and represent the number of participants and the percent of all participants who were served along with another member of their family.

For the vast majority of these linked participants, 2 individuals from the same family were being served. Based on the ages and genders of participants, these were most commonly husbands and wives, but fathers or mothers being served with sons or daughters also occurred. In some cases, 3, 4, or even 5 persons from the same family were served, including one or more household heads and multiple children.

Trends Over Time

One thing made very clear from our site visits is that the demonstration projects were dynamic entities that evolved over time. As the months passed, program staff refined their outreach and recruitment methods and altered their targeting (or even eligibility rules, as in South Dakota); in some ways all programs changed their designs over time, in response to fluctuations in their resources and other factors.

These evolutions, which were described earlier in this report, show up to some degree in changes over time in who the programs were serving, as shown in Table V-8. In absolute terms, many participants enrolled early on (defined as those enrolled from July 1, 1990 to September 30, 1991), as well as those enrolled later (October 1, 1991 to September 30, 1993), reported generally low incomes, high levels of debt, and other clear signals of financial distress. Nonetheless, in general there appears to be a perceptible shift over time towards serving participants who by these measures were somewhat less financially distressed. While incomes very low (i.e., net loss) or high (above $20,000) were about equally likely in both periods, those with incomes from $0 to $10,000 per year were more common among earlier enrollees. Extremely high debt/asset ratios (i.e., values above 70%) were more common earlier than later, as were the inability to obtain a farm loan, bankruptcy, lack of health insurance, and lack of money for groceries. Although sample sizes are too small to permit firm generalizations in each of the states, the same general pattern was quite clear in all the projects except North Dakota's, which showed more constancy over time.

Demonstration staff in several of the programs told us that persons who had no choice but to leave farming were somewhat more difficult to recruit than anticipated, but those who were struggling but intending to remain on the farm were more numerous.

Table V-8

Financial Characteristics of Early and Later Enrollees (%)

	Early	Later
Annual Household Income		
Net loss	28.2	31.7
$0 to $10,000	35.0	25.0
$10,000 to $20,000	24.1	30.5
More than $20,000	12.8	12.8
Farm's Debt/Asset Ratio		
Gave a value between:		
0% and 40%	23.3	25.9
41% and 70%	36.0	49.7
71% or more	40.7	24.5
In 5 years before enrollment did household ever:		
Apply for, but not receive a farm loan	56.5	41.2
File for bankruptcy or receive foreclosure notice	29.9	22.9
Not have health insurance	49.4	34.1
Not have enough money for groceries	44.4	31.2
Is a Food Stamp Recipient	9.2	6.9
Number of cases	261	170

Note: Early enrollees are those who enrolled as a participant sometime before October 1, 1991, within the demonstrations' first 15 months. Later enrollees are those who enrolled on or after this date. Items are taken from the Participant Information Forms, administered to a subset of terminees, except the item in italics, which is from the states' MIS. The number of cases reflects the smaller case base. Date of enrollment was supplied by Minnesota on its MIS file; enrollment dates for those in other states were taken from the PIF.

Perhaps, then, the more desperate were recruited earlier on, and programs expanded their recruitment net as time progressed in order to meet their enrollment targets.

Comparisons to Other EDWAA Clients

Each of the substate areas (SSAs) in which the demonstration projects were operating also served dislocated workers in their formula-funded EDWAA programs. A comparison of the characteristics of demonstration with formula-funded clients in these SSAs enables us to examine the impact of the demonstrations' specialized outreach efforts and understand the ways in which the needs of at-risk farmers and ranchers were different from other dislocated workers they were serving.

Data on the characteristics of formula-funded clients come from the Worker Adjustment Annual Program Report (WAPR), which all SSAs are required to submit at the close of each program year. Unfortunately, SSAs are not required to report the occupation or industry from which participants were displaced, so it is not possible to learn from this reporting form the number of formula-funded EDWAA clients who were dislocated farmers or ranchers. We know from the date that demonstration participants were first enrolled that some began receiving EDWAA services *before* the demonstrations officially began, presumably in formula-funded programs. Thus, at least some dislocated farmers were being recruited and served as part of these SSAs' normal EDWAA activities. However, conversations with demonstration staff during our site visits have suggested that dislocated farmers are an underserved group. And, of course, at-risk farmers and family members not in imminent danger of dislocation, who make up a sizable portion of demonstration clients, cannot be served in formula-funded EDWAA programs at all, given EDWAA's more stringent eligibility guidelines.

Other than the fact that they tended not to be dislocated farmers and were certainly not at-risk farmers or family members, EDWAA clients served by these SSAs were not very different in their basic demographic characteristics than demonstration participants, with a few exceptions.[4] For example, as shown in Table V-9, both groups were overwhelmingly white in all 4 states, were young to middle-aged, tended to have

[4]Data on the characteristics of formula-funded EDWAA clients served by these SSAs are taken from their Worker Adjustment Annual Program Reports (WAPRs) filed for PY 90 and PY 91. In Iowa, the WAPRs for the two SSAs running the demonstration were combined to generate the results for formula-funded clients. In Minnesota, the WAPR for the Central/Southwestern Minnesota SSA was used; this SSA encompasses all 14 counties in which the demonstration project is operating as well as 13 additional counties. North Dakota and South Dakota are single-state SSAs, but demonstration participants are primarily recruited from selected counties within these states.

Table V-9

Characteristics of Participants and Other EDWAA Clients (%)

	Iowa		Minnesota		North Dakota		South Dakota	
	Demo	EDWAA	Demo	EDWAA	Demo	EDWAA	Demo	EDWAA
Female	47.3	53.4	44.8	51.0	30.1	35.3	35.5	58.5
Age								
Less than 30	36.7	30.4	27.7	15.8	17.1	20.5	17.0	23.6
30 to 44	39.2	48.1	50.6	42.0	55.0	51.9	58.8	53.8
45 to 54	16.6	16.0	17.1	28.9	22.3	19.2	17.6	16.3
55 or over	7.5	5.5	4.6	13.3	5.6	8.4	6.6	6.3
Race/Ethnicity								
White (non-Hispanic)	99.7	98.5	100.0	97.5	98.8	97.1	98.7	96.6
Other	0.3	1.5	0.0	2.5	1.2	2.9	1.3	3.5
Education								
Dropout	5.4	4.9	5.5	7.4	7.4	9.1	NA	7.8
High school graduate	50.3	48.2	42.1	41.0	46.4	42.3	NA	47.3
Some postsecondary	44.3	46.9	52.4	51.6	46.2	48.6	NA	44.9
Basic Skills Proficiency								
Has limited English-speaking proficiency	0.0	0.6	0.0	0.0	0.2	0.7	0.0	0.3
Reads below the 7th grade level	1.2	2.1	1.2	7.8	4.8	5.3	8.8	6.9
Long-term Unemployed	19.6	53.7	29.0	28.9	6.0	19.0	18.2	27.7
Single Head of Household with Dependents	4.2	6.4	5.2	10.4	3.0	5.3	2.8	11.1

Note: Data are for the characteristics of demonstration participants (column labeled "Demo") and formula-funded EDWAA clients ("EDWAA"). Data for EDWAA clients are taken from Worker Adjustment Annual Program Reports (WAPRs) submitted by the SSAs for PY 90 and PY 91. Because the WAPR does not have a separate education category for those who are high school students, the small number of demonstration participants who are high school students are included with dropouts. See text for more details.

at least a high school degree and very often some postsecondary education, infrequently had basic skills deficiencies, and were rarely single heads of households. The major exception to their overall similarity is that formula-funded EDWAA clients were more likely than demonstration participants to have been unemployed for a long while before enrollment (except in Minnesota, where there was little difference), in keeping with the fact that enrollment in the demonstrations often took place before dislocation occurred.

Thus, if special efforts need to be directed at serving dislocated farmers and ranchers, it is generally not because they are harder to serve in the traditional sense of having lower education, poorer basic skills, or other barriers to employment. Instead, they are more difficult to serve in light of factors not easily captured or generally measured, such as the complexity of their financial entanglements, their high levels of indebtedness, their reluctance to seek assistance, the lack of job opportunities in rural areas, and other factors that have been mentioned throughout this and our earlier reports. But given their similarities to other EDWAA clients in their generally high education levels and command of basic skills, dislocated farmers can benefit about as much as other dislocated workers from long-term job retraining and other services geared towards providing them with rewarding careers.

SUMMARY

The results presented in this chapter provide insight on the fruits of the recruitment efforts conducted by the demonstration programs, the characteristics of persons they served, and the participants' needs for retraining and other services. Among our findings:

- Patterns of Enrollment and Termination

  -- Substantial numbers of enrollments occurred only after concerted efforts, including the development of media campaigns and the aggressive efforts of specialized outreach workers. Because of the complexity of these efforts, most programs took at least several months before substantial numbers of enrollments were recorded.

  -- Iowa seemed to get off to a much quicker start than the other programs, possibly because of its prior experience in serving dislocated farmers. South Dakota's start lagged substantially behind and picked up steam only when it followed the lead of the other programs in hiring specialized

outreach workers and expanding its eligibility rules to permit services to persons who intended to remain in farming.

-- After their initial slow start, most programs recorded fairly steady increases in enrollments during the several years that the projects were funded; relatively few persons were enrolled during the projects' last year. The exception is South Dakota, which recorded much sharper increases in the last year.

-- By the end of the demonstrations' funding, Iowa, Minnesota, and South Dakota had served about 350 participants each. North Dakota served over 500 participants.

-- Reflecting the long-term training being provided in most of the programs, about one-third of all participants had not yet terminated just several months before funding was to cease. Thus, many participants were transferred to other programs (e.g., formula-funded EDWAA) to complete their training or were terminated abruptly. South Dakota again was the exception, having terminated almost all of its participants several months before funding ceased, despite its late start in recruitment.

- Characteristics of Persons Served

-- When asked to characterize their status in the year before enrollment, about 75% of participants classified themselves as either "primarily farmers" or "spouses of farmers." Others were dependents of farmers, hired farmworkers, or dislocated farmers or family members.

-- Reflecting the homogeneity of their populations and the similarity in their recruitment practices once they had matured, the 4 programs reported serving participants who were overwhelmingly white, young or middle-aged, and with at least a high school education. Slightly more males were served than females. Farmers served by the demonstrations were much less likely to be over age 55 than the general population of farmers.

-- About 30% of farmers and over one-half of their spouses were working off-farm before enrolling in the demonstrations. Nonetheless, most participants' financial distress was very apparent, with total incomes very

low and levels of indebtedness very high. About 40% reported not having enough money for groceries at least some of the time. Overall levels of financial distress seemed to be somewhat lower among those served in South Dakota.

-- Perhaps because of the difficulty some programs had in recruiting dislocated farmers, levels of financial distress were somewhat less pronounced among those who were enrolled later on in the demonstrations rather than in the projects' first 15 months.

-- The demonstrations often viewed their task as serving the needs of the whole family rather than just an individual family member. In keeping with this, it was quite common to find multiple members of the same family enrolled and receiving services. In Iowa, over 40% of participants were served along with another member of their family. The percentages were lower elsewhere, but still exceeded 20%.

-- In their basic demographics, demonstration participants were much like other EDWAA clients served by these substate areas. Still, special efforts need to be directed at serving farmers because of their reluctance to seek assistance, their complex financial entanglements, and the scarcity of job opportunities in rural areas.

VI. Analysis of Services and Outcomes

As described in the preceding chapter, the participant-level data we analyzed included rich detail on the services that participants received and the outcomes they obtained after they terminated from the program. The analysis of these data is described in this chapter.

SERVICES OFFERED AND RECEIVED

Services Received in Each Demonstration

Demonstration participants received a full range of services, including: assessment of occupational interests and aptitudes; personal, family, legal, and financial counseling; retraining, including occupational classroom training, on-the-job training, entrepreneurial training, and farm management training; supportive services, including child care assistance, transportation assistance, and in some cases needs-based payments; and job search assistance. However, as detailed in our Chapter IV, a number of emphases are apparent when demonstration services are compared to those typically provided to formula-funded EDWAA clients. Although not all programs demonstrated these practices, we observed in one or more of the programs:

- A willingness to allow extensive time for upfront services, including personal counseling and the development of an individual service plan. Especially at-risk farmers and their families (i.e., those not already dislocated or for whom dislocation is not imminent at the time they seek services) seemed to need a much longer time to accept the need for retraining than was typical for other dislocated workers.

- The delivery of some services at the farmer's home or at a neutral service site. Farmers' discomfort in entering a "welfare" office and the long distances they would often have to travel to seek JTPA services meant that programs were more successful in convincing potential participants to undergo training if upfront services (e.g., assessment, counseling) could be delivered at the person's home.

- A generous use of supportive services. Some programs were more generous in their use of supportive services than was typical when they served formula-funded EDWAA clients. Money to defray transportation costs (e.g., the costs of commuting long distances to attend classroom training) was especially common.

- A more personalized approach to delivering services. The development of trusting, personal relationships between participants and demonstration staff, particularly staff with farm backgrounds, seemed to be a highly successful approach to serving this target group.

Each of the demonstration projects developed an individualized service plan for each participant after a careful assessment of his or her needs and occupational interests and aptitudes. Nonetheless, programmatic and philosophical differences caused each program to emphasize the above strategies as well as the various training components to different degrees.

These similarities and differences appear in Table VI-1, which reports the services received and completed by program participants. On the one hand, the overwhelming majority of participants in each of the 4 programs received retraining of some kind. Thus, the programs were alike in that they generally viewed retraining—either in farm management or for off-farm employment—as the best means of helping dislocated and at-risk farmers and family members. On the other hand, North Dakota was more likely than the other programs to provide basic readjustment assistance *only* (e.g., counseling and job search assistance, but not also retraining), while at the other extreme Minnesota and South Dakota provided some retraining to almost everyone (i.e., 88% or more of their participants). Iowa fell between these extremes.

The programs also were alike but in some ways different in their use of needs-based payments. No program made these payments very often. But they were more likely to be used in South Dakota (18%) and North Dakota (8%) than in Iowa and Minnesota, where they were never used, as a matter of policy.

When retraining occurred, it was very likely to take the form of "other" (generally classroom) occupational training. About 55% of terminees in 3 of the 4

Table VI-1

Services Received and Completed

	Overall	Iowa	Minn.	N. Dak.	S. Dak.
Services Received					
Basic readjustment assistance only	18.9	21.1	8.2	28.4	11.7
Any retraining	80.6	78.9	91.8	71.6	88.3
Needs-based payments	6.4	0.0	0.0	8.2	18.3
Number of cases	1,431	332	328	498	273
Received any occupational retraining	61.6	66.7	76.1	48.9	64.3
Number of cases	591	105	134	223	129
Services Completed					
Basic education or GED	3.7	3.0	12.3	0.9	1.8
On-the-job training	13.0	14.5	18.2	15.2	5.5
Other occupational skills training	50.8	59.5	59.4	36.4	56.0
Number of cases	995	200	187	335	273
Duration of Participation					
13 weeks or fewer	21.4	19.5	16.6	16.1	32.6
14 weeks to 6 months	21.7	20.0	16.6	25.4	22.0
27 weeks to 1 year	25.8	27.5	26.7	27.8	21.6
More than 1 year	31.1	33.0	40.1	30.7	23.8
Number of cases	995	200	187	335	273
Received retraining lasting 25 or more weeks	NA	49.5	NA	NA	37.7
Number of cases	NA	200	NA	NA	273
Total expenditures per participant	$3,036	$3,665	$3,786	$2,995	$1,696

Note: Whether basic readjustment assistance only, any retraining, or needs-based payments were received is estimated based on all participants (except in South Dakota, which reported these items for terminees only). All other items, including the length of retraining, are estimated based on terminees only. Tabulations are based on MIS data provided by the demonstrations, except the item in italics, which was collected for a subset of terminees using the Participant Information Form.

programs completed training of this type. North Dakota, at 36%, is the exception, presumably because of its greater use of basic readjustment assistance only.[1]

Although it was used more often in Minnesota than elsewhere, relatively few terminees in any program completed basic education or GED training, presumably because, as we saw earlier, few participants were dropouts or had deficiencies in basic skills. On-the-job training also occurred fairly infrequently. In South Dakota, only 5% of terminees received OJT, and no more than one-fifth of terminees received it anywhere else.

Thus, all programs apparently found that occupational classroom training was usually the best means of meeting their participants' retraining needs.

Despite the fact that nearly all participants in South Dakota received some retraining, the duration of participation was somewhat shorter in this program than elsewhere. About one-third of its terminees, substantially more than elsewhere, spent no more than 3 months participating in the program. At the other extreme, only about one-fourth of its terminees participated for more than a year, fewer than in any other project, and only about 38% received retraining lasting 25 weeks or more. Thus, the retraining that occurred in South Dakota was often fairly short-term.

Spells of participation do not differ very much in the 3 remaining programs. All show fairly wide dispersions, with some participants spending just short amounts of time in the program, others participating up to 1 year, and others participating still longer. Long-term training—or, at least, long-term participation—was very much in evidence everywhere, including South Dakota, where 24% participated longer than 1 year, but especially in Minnesota, where 40% participated this long. Although all this time

[1]The types of services received were computed for *participants*. However, the types of services completed and the duration of participation are computed for *terminees* only; about one-third of all participants had not yet terminated as of June 1993. In general, current participants, simply because they had not terminated, would be expected to have longer durations of participation and to be more likely than terminees to receive and complete retraining. Thus, our estimates of the percentage of terminees who complete retraining and their duration of participation should be viewed as lower-bound estimates of the "true" figures if we had waited to collect data until all demonstration participants had terminated. This bias makes comparisons across the demonstrations somewhat misleading, because South Dakota had relatively few (14%, as reported earlier) current participants as of June 1993 compared to the remaining states. See Appendix A for further discussion of this issue.

needn't be spent in retraining, it does appear that many demonstration participants were receiving services over a very long period of time.[2]

Total expenditures per participant provides another, although somewhat crude, measure of training intensity. South Dakota spent about $1,700 per participant. North Dakota's figure was $2,995, and Iowa's and Minnesota's were higher still, at about over $3,600 per participant. These sizable differences reflect variation in the kinds of services and the intensity of training that was provided to participants.

Program Expenditures

The ways in which program dollars were spent provides one way of understanding program priorities. Each of the demonstration programs provided us with total expenditures, broken into various cost categories, including retraining, basic readjustment assistance, supportive services and needs payments, and administration. These results are shown in Figure VI-1. Columns for each state sum to 100%.

The differences in expenditure patterns across the states are instructive. Iowa, for example, spent almost 30% of its funds on basic readjustment assistance. This figure reflects Iowa's emphasis on protracted "hand-holding" to convince participants to undergo training, much of which occurred prior to enrollment. Outreach staff in Iowa sometimes made repeated on-farm visits to distressed farmers who never eventually enrolled in the program. In other cases, the farmer did enroll and eventually undertook training, but only after mulling over the decision and talking with outreach staff over a 6-month period or longer.

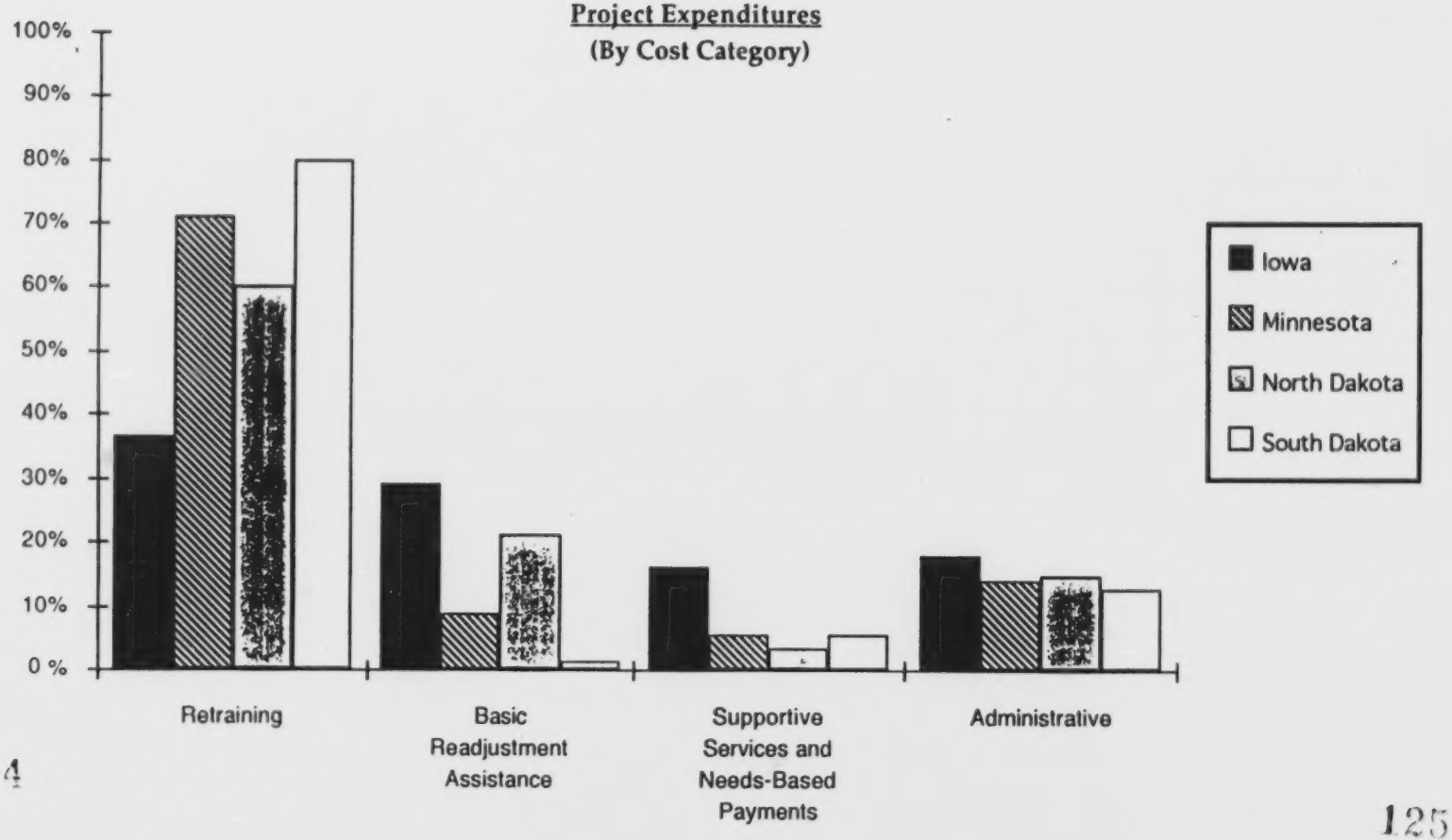
Despite the fact that Iowa did not authorize needs-based payments, it also recognized the need for extensive supportive services to support farmers through retraining, including money for transportation expenses. This emphasis too shows up in

[2]The duration of participation is a WAPR reporting item. According to its definition, participation is counted as the time elapsed from the date a person becomes a participant to the date of the last receipt of basic readjustment or retraining services. Services, and certainly retraining, need not occur continuously over this interval. Weeks of participation was not provided by Minnesota. It was estimated for its terminees by computing the weeks elapsed from the date of enrollment to the date of termination and multiplying by .8, which is approximately the ratio of weeks of participation to total weeks elapsed in the remaining 3 states, for terminees who completed the Participant Information Form.

Figure VI-1

Project Expenditures

(By Cost Category)



its expenditures, with 16% of its total funds spent for supportive services, considerably more than in any other state.

With relatively large outlays for basic readjustment assistance, supportive services, and even administration, Iowa was able to allocate just 37% of its funds for retraining—despite the fact, as we saw from a previous table, that most of its participants received retraining of some kind. Thus, its sizable expenditures per participant include substantial amounts for supportive services and basic readjustment assistance, as well as retraining.

By contrast, Minnesota, which also emphasized retraining, expended over 70% of its funds in this cost category. It was able to allocate so much of its money for retraining because its outlays for basic readjustment assistance and supportive services were much smaller. The fewer dollars that it spent on basic readjustment assistance reflect, first, that it served very few participants with basic readjustment assistance only; i.e., almost everyone undertook retraining of some kind and, as we discussed earlier, long-term training was quite common. Additionally, although it conducted on-farm visits when necessary, the frequency of these visits to persons who had not yet enrolled or who had enrolled but not yet begun training was more limited than in Iowa. Thus, the bulk of Minnesota's sizable expenditure per person was spent strictly on retraining.

North Dakota falls between these extremes, spending a much larger proportion of its funds for retraining than Iowa (but not as much as Minnesota) and a larger amount for basic readjustment assistance than Minnesota (but not as much as Iowa). Its expenditures for supportive services primarily represent needs-based payments.

Finally, South Dakota tops all of the demonstrations in spending over 80% of its funds for retraining, and minimal amounts for anything else except administration costs. However, its meager (compared to the other demonstrations) per-participant expenditures (which we reported in the last table) means that its retraining dollars were being spread very thin.

Curiously, when one takes into account differences in both total expenditures per participant and the mix of services provided, Iowa and South Dakota are alike in having spent about $1,400 in training dollars per participant. North Dakota's figure is $1,800, followed by Minnesota, with by far the largest figure, at $2,688.

Services to Farmers and Others

Individualized service planning means that each program attempts to meet the needs of the individual participant as best as possible. For some persons, this means optimizing between the short-term need for immediate income and the longer-term need for stable, well-paying employment that often is only accessible to those who undergo extensive retraining. Thus, depending on their circumstances, one would expect that some participants could best by served by retraining of one kind or another and others by a short intervention leading to a job placement.

For example, participants who had already been displaced may have needed to find new employment quickly to support themselves and thus perhaps could not take the time to undergo long-term classroom retraining. By contrast, those who were still farming might have been in a position to adopt a longer-term time horizon and view retraining, either in farm management or for an off-farm job to supplement their farm earnings, as holding the best prospect for retaining the farm.

These differences are apparent in Table VI-2, where we examine the types of services being provided to farmers, their spouses, their dependents, hired hands, and persons who were already dislocated.[3] The dislocated were by far *least* likely to receive retraining. Although the majority of them—about 55%—did receive retraining of some kind, other groups received retraining at a much higher rate. The dislocated also were least likely to complete classroom occupational skills training. However, they received OJT at least at as high a rate as others. Thus, their needs could best be met by either on-the job training, short-term occupational classroom training, or basic readjustment assistance only.

At the other extreme, dependents were *most* likely to undergo retraining. Doubtless they were much less likely to have need for immediate income, and therefore they could take advantage of the opportunity to invest in longer-term training. Accordingly, they were much more likely than most other groups to have received any retraining, to have received any occupational training, and to have completed occupational classroom training. Their average duration of participation approaches one year.

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[3]As discussed in the preceding chapter, participants were classified into one of these statuses based on their answer to the question "...during the twelve-month period before (enrollment) ... were you primarily," with the aforementioned categories given as the response set.

Table VI-2

Services Received and Completed
for Farmers and Others

	Farmers	Spouses	Depen-dents	Hired Hands	Dislocated
Services Received					
Basic readjustment assistance only	25.6	24.8	12.5	18.9	45.2
Any retraining	73.9	75.0	87.5	81.1	54.7
Needs-based payments	4.2	5.1	3.1	9.4	5.7
Received any occupational retraining	59.6	61.3	84.4	71.7	52 .8
Services Completed					
Basic education or GED	3.9	5.1	3.1	3.8	0.0
On-the-job training	13.5	10.2	3.1	15.1	18.9
Other occupational skills training	52.3	56.1	78.1	50.9	30.2
Average Duration of Participation (in weeks)	40.2	46.1	50.6	39.9	39.2
Number of cases	281	156	33	53	53

Note: Items are taken from the state MIS data, except the item in italics, which was taken from the Participant Information Form. However, all figures are estimated based on the subset of terminees who completed the Participant Information Form, the source of information for the column headings.

Between these extremes were farmers, their spouses, and hired hands. Three-quarters to 81% of them received retraining, usually occupational retraining, and they usually completed it. But many others, about 19% to 26%, received basic readjustment assistance only, presumably because their individual circumstances mandated it.[4]

A Comparison to Services for Other EDWAA Participants

The unique service designs developed by the demonstration projects to meet the needs of at-risk and dislocated farmers can be highlighted to some degree by comparing the services received by demonstration participants with those typically provided to formula-funded EDWAA clients served by these same SSAs. This comparison is shown in Table VI-3.

Demonstration participants in Iowa, Minnesota, and South Dakota were more likely than their formula-funded EDWAA counterparts to have received retraining. In Minnesota the difference is dramatic, with relatively few (about 20%) formula-funded clients receiving retraining but almost all (about 92%) of demonstration participants receiving it. Presumably, the supplemental funds provided by the Farmer/Rancher project enabled these SSAs to devote more attention to retraining than would otherwise have been the case. Iowa and South Dakota exhibit similar but less pronounced increases, while North Dakota stands as the exception, with about as many demonstration participants in retraining as formula-funded clients in retraining.

The reliance on various types of retraining also differs between demonstration and formula-funded participants, but the pattern is not consistent across the 4 projects. In Iowa and South Dakota, OJT was much *less* likely to be used for demonstration

[4]Part of the difficulty in interpreting the results in the table is that the effects of farm status could be confounded to some degree by which of the 4 programs one was in. For example, earlier tables have shown that North Dakota was more likely to use basic readjustment assistance only, and it also served more persons who were already dislocated than any other state. Thus, the dislocated might have gotten retraining less often simply because they were more likely to be served in North Dakota than other groups. Of course, we could disentangle these effects by showing results by farm status for each of the four demonstration states, to learn whether the displaced are less likely to receive retraining *within* each program. Not only would this make for a very messy table, but sample sizes are too skimpy to support such an analysis (except perhaps for farmers). Instead, we estimated a logit model, with the probability of receiving any retraining as the outcome, expressed as a function of age, gender, dummy variables for the state of participation, and dummy variables for farm status. These results confirm that, controlling for farm status, retraining was more likely to occur in Minnesota and South Dakota and less likely to occur in North Dakota. Controlling for the state one was in, the dislocated were less likely to receive retraining than any other group. Gender was not significant, but older participants were substantially less likely to receive retraining.

Table VI-3

Services to Participants and Other EDWAA Clients (%)

	Iowa		Minnesota		North Dakota		South Dakota	
	Demo	EDWAA	Demo	EDWAA	Demo	EDWAA	Demo	EDWAA
Services Received								
Basic readjustment assistance only	21.1	34.7	8.2	80.2	28.4	24.1	11. 7	25.6
Any retraining	78.9	65.4	91.8	19.8	71.6	75.9	88.3	74.4
Number of cases	332	326	328	374	498	416	273	651
Services Completed								
Basic education or GED	3.0	0.0	12.3	6.1	0.9	0.0	1.8	9.7
On-the-job training	14.5	44.2	18.2	3.8	15.2	15.6	5.5	15.1
Other occupational skills training	59.5	22.1	59.4	12.3	36.4	41.8	56.0	0.0
Number of cases	200	326	187	374	335	416	273	651
Average Duration of Participation (in weeks)	43.5	21.3	44.4	33.1	4 2.0	27.0	33.9	21.8
Total Expenditures per Participant	$3,665	$860	$3,786	$746	$2,995	$1,179	$1,696	$816

Note: Data are for the characteristics of demonstration participants (column labeled "Demo") and formula-funded EDWAA clients ("EDWAA"). Data for EDWAA clients are taken from Worker Adjustment Annual Program Reports (WAPRs) submitted by the SSAs for PY 90 and PY 91, except expenditures per participant, which is from PY 91 only. The figures for the demonstration projects are based on services received by participants and services completed by terminees. See Table VI-1 for additional notes.

participants than others served by the SSAs, and occupational classroom training was much *more* likely to be used. In Minnesota, both types of retraining were more likely for demonstration clients, presumably reflecting the fact that so few of its formula-funded clients received retraining of any kind. Once again, differences between the two groups were quite modest in North Dakota; thus, once enrolled, demonstration clients in North Dakota received about the same services as other EDWAA clients, albeit, as we learned from the site visits, perhaps with somewhat more personalized attention.

Finally, again reflecting the opportunities afforded by having extra funds, as well as the extra challenges in serving farmers, the duration of the participation of demonstration clients was appreciably longer than it was for formula-funded clients in all 4 of the projects, and expenditures per participant were substantially greater.

SHORT-TERM OUTCOMES

Perhaps more so than for formula-funded EDWAA programs, the goals of the Farmers/Ranchers demonstration projects were very diffuse. Several of the programs sought to "keep farmers on the farm" where feasible. This objective was pursued in various ways, including providing instruction in farm management to boost net income from farming, and providing occupational or entrepreneurial training so that the farmer or other family members could obtain off-farm employment to supplement the family's farm earnings. In other cases, the program helped farm families accept the decision that their farms were not financially viable, and it assisted them, through retraining and other services, to make the transition to other careers and lifestyles. In all cases, a hallmark of the demonstration program was the personalized attention designed to help participants work towards the outcomes that made the most sense for them. Even helping participants decide what outcomes to pursue was itself a challenge that sometimes took considerable programmatic effort and months of time.

Living and Working On and Off the Farm

This diversity of program objectives makes it difficult to evaluate the success of the demonstration projects using any standard yardstick. For example, it would certainly sell short the complexity of the demonstration projects to claim, as we might for other JTPA programs, that demonstrations with higher entered employment rates were more successful than others. Similarly, it is unclear what expectation one should hold for the on-farm and off-farm employment rates recorded by the demonstrations, given that different objectives were established for participants in different circumstances.

Despite this diversity, we know from our site visits that the goal many participants had in entering the program was to stay on the farm. Results suggest that their aspirations often were being met. About two-thirds of the participants were living on a farm 3 months after terminating from the program. This rate is remarkably constant across all 4 demonstrations, ranging from a low of 61% in South Dakota to 69% in Iowa.

About one-half of participants were still farming their own land (i.e., land that they either own or rent) three months after termination. This rate too is very much the same across the 4 demonstration projects. Thus, for many individuals, participating in the demonstration allowed them to continue to farm as they always had, although perhaps with improved farm management skills or with subsidiary off-farm employment.

The sizable gap between the two-thirds who were living on a farm and the one-half who were still farming suggests that many participants were continuing to live on farms that they no longer actually farmed. Thus, the pain of farm dislocation was eased at least partly because the demonstrations helped them remain in their homes and communities, even if farming is no longer viable as a career.

Finally, well over a majority of demonstration participants were employed off their farm (i.e., in an off-farm job or working as a farmworker for someone else). This rate is much more variable across the demonstration projects. In Iowa, over four-fifths of participants were working off their farm; in Minnesota, the figure is three-quarters; and in the Dakotas, it is about two-thirds.

Characteristics of Off-Farm Jobs

This diversity of achievements suggests that the demonstrations were successfully meeting their participants' needs in a number of different ways, including helping them remain on their farms, continue farming, and securing off-farm employment. But in evaluating the demonstration projects' efforts, it also is important to look at the types of off-farm jobs that were obtained.

As Table VI-4 shows, the majority of those with off-farm jobs were working at them full-time—that is, 35 hours per week or more. Extra-long work weeks were especially common in South Dakota, where over one-quarter of those with jobs were

Table VI-4

Characteristics of Postprogram Off-Farm Jobs (%)

	Overall	Iowa	Minn.	N. Dak.	S. Dak.
Hours Worked Off-Farm Per Week					
1 to 20 hours	12.9	8.2	12.2	15.7	13.7
21 to 34 hours	14.4	11.8	14.3	17 .1	12.3
35 to 45 hours	54.6	63.5	62.2	47.9	46.6
Over 45 hours	18.2	16. 5	11.2	19.3	27.4
Weekly Earnings From Off-Farm Employment					
$1 to $100	8.6	7.1	2.1	12.3	11.6
$101 to $200	25.2	25.0	24.5	26.1	24.6
$201 to $300	30.1	25.0	27.7	33.3	33.3
$301 to $400	23.4	32.1	29.8	18.1	14.5
Over $400	12.7	10.7	16.0	10.1	15.9
Type of Off-farm Job Held					
Professional, technical, managerial	20.4	24.4	30.2	10.0	22.5
Clerical and sales	17.3	19.8	11.5	19.3	18.3
Service occupations	14.5	8.1	13 .5	19.3	14.1
Agriculture, forestry, fishery	16.0	10.5	14.6	17.9	21.1
Processing, machine trades, or benchwork	13.0	16.3	13.5	11.4	11.3
Structural work	8.4	7.0	10.4	8.6	7.0
Miscellaneous	10.4	14.0	6.3	13.6	5 .6
Job is seasonal (% yes)	20.6	5.8	13.8	25.5	37.5
Number of cases	393	86	96	140	71

Note: Among terminees administered the Participant Information Form, data is for the subset of participants who were employed off-farm 3 months after termination.

working longer than 45 hours per week. Other participants, about one-quarter of those with off-farm jobs, were working part-time (i.e., less than 35 hours per week), often (as we shall see shortly) because they were still farming and presumably wanted part-time employment.

About one-third of the participants were earning less than $200 per week (which works out to about $10,400 annually for 52 weeks of employment); just under one-third were earning between $201 to $300 per week; and just over one-third were earning more than $300 per week (about $15,600 annually). Average earnings were slightly higher in Minnesota than elsewhere, but were generally comparable to those obtained by formula-funded EDWAA participants in these substate areas.[5] Moreover, they must certainly often be very welcome, given the very meager family income that many of these respondents claimed before enrollment (see Chapter V).

We learned from our site visits about the diversity of off-farm jobs in which participants were being placed. This diversity also is clear from the table. Participants were widely disbursed across white collar, blue collar, and service occupations. Professional, technical, and managerial jobs were somewhat more common in Minnesota than elsewhere, service jobs were more common in North Dakota, and jobs in agriculture were more common in South Dakota, but all states show quite a wide spread across all the categories. These off-farm jobs for the most part were year-around, but about one-fifth of participants were in jobs that were seasonal. Seasonal jobs were more common in South Dakota and, to a lesser extent, North Dakota.

A final dimension to the characteristics of jobs held by participants is given in Table VI-5, which shows whether fringe benefits were provided. Unfortunately, the news is mixed at best. Health insurance, for oneself and one's family, should be a much coveted fringe benefit and was in some cases a major motivation for off-farm employment. But only between 40% to 56% of the off-farm jobs held by participants provided health insurance for the worker and even fewer (between 30% and 48%) provided coverage for the worker's family.

[5]The PY 91 average hourly wage at termination for formula-funded EDWAA clients served by these SSAs ranges from $5.56 in Iowa's Adair-Union SSA to $7.61 in Minnesota. For 40-hour work weeks, these work out to about $220 to $304.

Table VI-5

Fringe Postprogram Benefits/Receipt for Terminees Employed Off-Farm (%)

	Overall	Iowa	Minn.	N. Dak.	S. Dak.
Fringe Benefit					
Health Insurance for Self	48.5	54.0	56.0	39.3	49.3
Health Insurance for Family	38.7	41.2	48.5	30.0	39.4
Retirement Benefits	35.1	39.1	43.9	26.4	35.2
Paid Vacation or Sick Leave	56.7	60.9	59.6	50.0	60.6
Number of cases	398	87	100	140	71

Note: Data are taken from the Participant Information Form.

Retirement benefits, too, were uncommon, provided by just between 26% to 44% of the off-farm jobs. Even paid vacation or sick leave, the fringe benefit that was most common in this group, was enjoyed by no more than 61% of those with off-farm jobs in any state. On all these measures, participants in North Dakota fared somewhat worse than those in other states.

The Most Frequently Mentioned Off-Farm Jobs

Although the broad occupational categories used in the previous table give a sense of the diversity of occupations held by participants, they do not provide a very concrete image of the actual off-farm jobs in which participants were being employed. Table VI-6 makes this picture a bit more vivid by showing the most frequently cited 3-digit DOT occupational codes.

This listing suggests that quite a few participants were in jobs that would seem to enable them to take advantage of the skills they used as farmers. As we learned from the site visits, getting participants to understand that they were more than "just farmers" but in fact had many transferable skills that could be built on with retraining often was an explicit part of the assessment process. The efficacy of this strategy is apparent here, where we see that substantial numbers were working off their farm not only as farm managers or farmworkers, but also as accountants and auditors, store managers, truck or trailer drivers, welders and other construction workers, or mechanics—all jobs that surely build to some degree on the talents and experiences of persons who were running their own farms.

The medical industry also apparently offered opportunities for many participants, as evidenced by the substantial number working as nurses, medical assistants, or attendants and aides. Clerical occupations also were common, including those working as secretaries, bookkeepers, filers, and cashiers. Substantial numbers of others were working as counselors or social workers (including a few who were hired on staff by the demonstrations themselves).

The 26 specific occupations given in this table still account for the jobs held by just about one-half of all participants with off-farm jobs at termination (i.e., 303 of 571 total). The remainder were scattered among over 125 other 3-digit DOT codes, once again suggesting the wide dispersion of types of jobs held by participants.

Table VI-6

Postprogram Off-Farm Occupations

	Number of Participants With This Job
Professional, Technical, Managerial	123
Farm manager	17
Registered nurse	14
Medical assistants, therapists, and licensed practical nurses	13
Vocational/guidance counselor	7
Managers in service industry	7
Accountants and auditors	6
Social workers	6
Clerical and Sales	101
Secretary	15
Bookkeeper	9
Shipping/receiving clerks	9
Cashiers/tellers	8
Typing/filing	6
Sales, transportation equipment	6
Sales, miscellaneous	6
Service	71
Hospital attendants and nurses aides	32
Practical nurses	6
Agricultural, Forestry, Fishery	79
General farmer or farmworker	40
Animal farmworker	14
Processing, Machine Trade, or Benchwork Occupations	74
Motorized vehicle repair	6
Metal unit assembler	6

[continued]

Table VI-6 (continued)

	Number of Participants With This Job
Structural Work	78
Misc. construction and helpers	17
Welders and cutters	12
Carpenters	8
Electrician/electrician apprentice	8
Miscellaneous Occupations	45
Trailer-truck driver	16
Heavy truck driver	9
Total, All Occupations	571

Notes:

Data are for first 3 months after termination.

Data are taken from the Participant Information Form.Data on the detailed occupations held by participants are based on the jobs held at termination, as reported from the states' MIS. Because the source of this information differs from the source on which the occupational distributions in Table VI-4 is based, percentages by major categories do not match precisely.

Changes in Off-Farm Employment and Farm Viability

Taken as a whole, the results described in the preceding tables and figures suggest substantial successes for all 4 of the demonstrations in getting participants off-farm employment. In each of the demonstrations, from two-thirds to 80% of the participants were working in off-farm jobs three months after termination. Although earnings from this employment were modest and fringe benefits often were not provided, the employment itself at least offers the prospect that participants were embarking on successful careers that would become more lucrative with greater experience and seniority.

However, lest we give the demonstrations too much credit for improving the off-farm employment opportunities of participants, we must remember from the previous chapter that many demonstration participants—almost 40%—were already employed in an off-farm job before enrollment. Thus, truer measures of effectiveness might be the *changes* in participants' off-farm employment and earnings.

Table VI-7 compares the *pre-enrollment* off-farm employment rate of demonstration participants with their off-farm employment rate 3 months *after termination*. Because pre-enrollment off-farm employment was only asked of those who identified themselves as being "primarily farmers" or "spouses of farmers" in the year before enrollment, the computation of post-termination off-farm employment status is restricted to this subset as well, so that the employment experiences of the same group of respondents can be compared over time.

As the figure shows, there were sizable increases in the employment rate among participants in all 4 programs.[6] In Iowa, the jump in employment was 40 percentage points; in Minnesota and North Dakota, it was about 30 percentage points. Only in South Dakota was the gain in off-farm employment fairly modest, at just about 15 percentage points.

We can suppose that those who gained an off-farm job when they had not had one before clearly reaped the benefits of their new source of income. But among those who were employed off-farm both pre-enrollment and after termination, did their participation

[6]In interpreting these increases it is important to note that pre-enrollment employment measures whether the participant had an off-farm job *at any time* in the year before enrollment. Thus, some persons could have once been employed but lost that job by the time they enrolled in the program.

Table VI-7

Characteristics of Employment for Participants with Off-Farm Jobs Before Enrollment and 3 Months After Termination

	Overall	Iowa	Minn.	N. Dak.	S. Dak.
Percent Employed					
Pre-enrollment	37.4	41.8	42.4	31.3	40.0
After Termination	66.0	81.0	74.1	60.2	55.6
Number of cases	420	79	85	166	90
Hours Worked per Week					
Pre-enrollment	31.6	34.1	31.2	30.5	30.7
After Termination	36.7	40.9	37.4	30.8	38.8
Hourly Wage ($)					
Pre-enrollment	6.53	6.19	7.38	6.46	6.11
After Termination	7.66	8.24	8.80	6.77	7.03
Number of cases	129	31	29	38	31

Note: Data are taken from the Participant Information Form, with the sample restricted to those who were "primarily farmers" or "spouses of farmers" in the year before enrollment. Pre-enrollment off-farm employment status is available only for this subset. For hourly wage and hours worked per week the sample is further restricted to those employed off-farm before enrollment and 3 months after termination.

in the demonstration result in their working more hours or earning more money? Table VI-7 helps answer this question by comparing the average hours worked per week and average hourly wages in off-farm employment before enrollment and after termination. Sample sizes are small, because we are restricting the calculations to those who were employed off-farm at both times. Nonetheless, based on this subset, those who were already employed off-farm before enrollment increased their hours worked per week by about 8 hours in South Dakota and 6 hours in Iowa and Minnesota. There was no appreciable increase in North Dakota.

Among those employed both times, average hourly wages also increased substantially in most of the demonstration projects. Hourly wages increased by about $2.00 per hour in Iowa, $1.50 in Minnesota, $.90 in South Dakota, and about $.30 in North Dakota.

Thus, participants in Iowa and Minnesota increased their rate of off-farm employment substantially and those who were already employed off-farm before enrollment were working more hours and earning appreciably more in the jobs they held at termination. North Dakota's participants were more likely to be working after termination than before enrollment, but those who were employed at both time points saw no increase in their work weeks and just a small increase in their hourly wages. In South Dakota, the increase in off-farm employment rates was fairly modest, but those who were employed at both time points saw their hours and wages increase somewhat.

Finally, as another measure of improvement over time, we examined the change in the "financial condition of your farm business" compared with the year before enrollment, for those who were still living on a farm after they terminated from the program. Appreciable numbers of farmers in all states, but particularly in Iowa and Minnesota, saw their farms' financial conditions deteriorate over this time. Thus, even though these participants were at least still living on their farms after termination, we might suspect that their ability to do so for very much longer was in jeopardy. Even more participants (about 35% to 39%) reported no change in their farms' financial viabilities. Still, many others, slightly more in North Dakota and a little less in Iowa, reported some improvement.

We must of course be cautious in interpreting any of these results as measures of the impacts of the demonstrations themselves. Moreover, differences across programs should not be viewed as necessarily meaning that one program was more or less effective than the next, because too many other factors are left uncontrolled. For example, the

ability of participants to get off-farm jobs and the wages they obtain obviously were heavily influenced by job opportunities in the local communities. And whether participants increase off-farm hours of employment surely will depend in many cases on whether they were still farming. Similarly, changes in a farm's financial condition will be influenced by shifts in commodity prices or growing conditions. A later section of this chapter will try and disentangle these interwoven effects to some degree. Nonetheless, the results just described at least give a general sense of the changes in the outcomes of program participants over the course of their participation in the demonstrations, whatever the causes of those changes might be.

Outcomes for Those Still Farming and Others

Employment outcomes for participants depend heavily on whether they were still farming. For example, some farmers participated in the demonstration to attend a farm management course and were not seeking off-farm employment, while others were looking for only a part-time job to supplement their earnings from farming. By contrast, participants who had given up farming presumably were more interested in full-time and well-paying off-farm employment to support themselves and their families.

Some of these differences are apparent from Table VI-8. Persons who were still farming after termination were much less likely to be employed in off-farm jobs than those who had given up farming (54% to 82%). Among those who did work off-farm, farmers worked somewhat fewer hours per week than others (35 to 41). However, both groups earned about the same per hour ($7.42 to $7.60) and were in very much the same occupations (at least when measured by broad occupational category). About the same proportion of farmers and others were in seasonal jobs.

Although wages were similar for these two groups, other aspects of the compensation were not. Farmers were significantly less likely to receive most fringe benefits, including health insurance. Thus, if farmers were looking to their off-farm jobs to supply health insurance for themselves and their families, many of them were being disappointed.

Noteworthy is the finding that about one-third of farmers and others *who were already employed off-farm* were looking for additional or other work. This may reflect either the need to take a second job to help make ends meet or the desire to find a more rewarding job.

Table VI-8

Postprogram Employment Outcomes for Farmers and Others

	Those Working Own Farm	All Others
Off-Farm Employment Status (%)		
Working after termination	54.6	82.2
Net increase (pre-enrollment to post-program)	16.8	44.8
Number of cases	284	287
Average Hours Worked Off-Farm Per Week	34.9	40.6
Average Hourly Wage in Off-Farm Jobs ($)	7.42	7.60
Types of Off-Farm Jobs Held (%)		
Professional, technical, managerial	21.0	20.4
Clerical and sales	19.1	15.9
Service occupations	14.0	13.6
Agriculture, forestry, fishery	12.7	1 8.6
Processing, machine trades, or benchwork	10.2	14.9
Structural work	10.2	7.7
Miscellaneous	12.7	8.6
Number of cases	157	221
Fringe Benefits of Jobs Held (% yes)		
Health insurance for self	39.5	54.2
Health insurance for family	26.5	44.6
Retirement benefits	29.3	37.7
Paid vacation or sick leave	51.6	60.7
Is the Job Seasonal? (% yes)	20.3	17.2
Looking for Additional/Other Work	30.3	34.1

Note: Data are taken from the Participant Information Form. With the exception of the first item, tabulations are restricted to those with off-farm employment 3 months after termination, and the number of cases is as shown for the type of job held.

Outcomes for Those Who Received Different Services

Another way of understanding the off-farm employment outcomes obtained by participants is to examine whether those who received retraining fare better than persons who received basic readjustment assistance only. Table VI-9 shows that differences between these groups are in some ways dramatic. Off-farm employment rates do not differ very much and, among those who were working, hours worked per week was about the same, at just short of a 40-hour work week. But differences in hourly wages, types of jobs held, and fringe benefits are striking. Persons who received retraining and were employed off-farm after termination earned over $1.20 more per hour than others. They were substantially more likely to be in professional, technical, and managerial jobs and to receive various fringe benefits. If looking for additional work can be taken as an indicator of job dissatisfaction, then those who received only basic readjustment assistance appear to be much more dissatisfied than those who received retraining.

Of course, we must be cautious in inferring causality from these findings, because those who received different services might have recorded different outcomes for reasons unrelated to the effects of the services themselves. The groups differ in their characteristics at enrollment, for example, because we saw earlier in this chapter that participants who received only basic readjustment assistance were more likely to have been displaced before enrollment than were those who received retraining. Nonetheless, these findings make clear that, at least at a gross level, participants who had different experiences while enrolled in the program also had different experiences when they left.

Disentangling Various Effects on Short-Term Outcomes

Thus far we have seen differences in outcomes across the various demonstration projects according to whether participants had off-farm employment, to the pay they received if they worked, to whether the participant was still farming at termination, and to whether he or she received retraining or other services. These relationships are potentially intermingled. For example, we saw that North Dakota was more likely than other states to provide its participants with basic readjustment assistance only. Thus, differences in outcomes across demonstration projects could partly be due to differences in the types of services that were provided. Moreover, other factors not included in these previous tabulations also could be at play, making it difficult to draw clear inferences. These factors can include demographic characteristics of terminees, including their age or gender, as well as characteristics of the local area (such as the unemployment rate).

Table VI-9

Postprogram Employment Outcomes by Services Received

	Received Retraining	All Others
Off-Farm Employment Status (%)		
Working after termination	69.8	67.1
Net increase (pre-enrollment to post-program)	29.4	26.2
Number of cases	421	149
Average Hours Worked Off-Farm Per Week	38.4	38.1
Average Hourly Wage in Off-Farm Jobs ($)	7.88	6.67
Types of Off-Farm Jobs Held (%)		
Professional, technical, managerial	26.3	4.9
Clerical and sales	16.1	20.4
Service occupations	13.3	17.5
Agriculture, forestry, fishery	14.7	19 .4
Processing, machine trades, or benchwork	13.7	10.7
Structural work	6.7	13.6
Miscellaneous	8.8	13.6
Number of cases	285	103
Fringe Benefits of Jobs Held (% yes)		
Health insurance for self	54.5	31.4
Health insurance for family	44.3	21.6
Retirement benefits	39.2	21.6
Paid vacation or sick leave	61.3	44.1
Is the Job Seasonal? (% yes)	20.0	22.3
Looking for Additional/Other Work	28.9	42.1

Note: Data are taken from the Participant Information Form. With the exception of the first item, tabulations are restricted to those with off-farm employment 3 months after termination, and the number of cases is as shown for the type of job held.

In an attempt to disentangle these factors, we have estimated, first, a logistic regression of whether the participant was employed off-farm 3 months after termination, and, second, for those who were employed off-farm, a regression model of their weekly earnings from off-farm employment. Independent variables include: the participant's age and gender, a dummy variable for whether she or he was employed off-farm sometime in the year before enrollment, a dummy variable for whether the person was also still farming 3 months after termination, a dummy variable for whether he or she received any retraining, and several dummy variables for the state in which the person participated. The weekly earnings model also includes a variable for the participant's off-farm weekly earnings before enrollment. Finally, we include control variables for the service area characteristics, including the unemployment rate, the percent of the population living in urban areas, and the average earnings of workers in trade industries. All these are measured at the level of the field office.[7] Results are shown in Table VI-10.

Few of these variables attain statistical significance. Females are as likely as males to be employed, but they earn about $64 less per week among those who were employed. The participant's pre-enrollment off-farm employment experiences are significant for both outcomes, with pre-enrollment employment both increasing the probability of being employed after termination and boosting off-farm weekly earnings. Reinforcing an earlier result, those who were still working as farmers after termination were significantly less likely to be also employed off-farm, and they earn somewhat less. But, contrary to what we found earlier, those who received retraining were no more likely than others to be employed or to earn more. The effects of alternative measures of services received, including whether the participant completed OJT or occupational classroom training, also were examined, and these too failed to attain statistical significance. Moreover, controlling for other factors, there are almost no significant differences associated with having participated in one demonstration project rather than another. The lone exception is that relative to those who participated in Minnesota (the "left out" dummy variable category), those employed in North Dakota may earn somewhat less on average.

[7]Specifically, local area variables were measured separately for: each of the two SSAs serving demonstration participants in Iowa, the counties served by each of Minnesota's three field offices, the counties served by each of North Dakota's two field offices as well as the expansion counties, and East River and West River counties in South Dakota.

Table VI-10

Postprogram Off-Farm Employment, Multivariate Models

	Employed Off-Farm	Off-Farm Weekly Earnings
Intercept	0.069 (1.204)	150.05 (187.41)
Age	0.003 (.014)	0.95 (.90)
Female	0.210 (.266)	-64.45** (18.17)
Worked off-farm before enrollment	1.691** (.292)	-39.24 (27.62)
Weekly earnings off-farm before enrollment	--	0 .34** (.11)
Also working own farm	-1.482** (.269)	-37.14* (17.13
Received any retraining	0.202 (.289)	23.48 (19.79)
Participated in Iowa	0.381 (.440)	-3.07 (24.26)
Participated in North Dakota	-0.789 (.501)	-49.75* (23.93)
Participated in South Dakota	-0.635 (.633)	-30.27 (43.21)
Unemployment rate of area	.191 (.212)	-3.27 (15.67)
Average earnings in trade industries	--	11.21 (16.43)
Percent of population in urban areas	.005 (.015)	--
N of cases	392	234

Note: The model of whether the respondent was employed off-farm was estimated using logistic regression; coefficients are maximum likelihood estimates with standard errors in parentheses. The model of weekly off-farm earnings was estimated using ordinary least squares; numbers are regression coefficients with standard errors in parentheses. Data are for 3 months after termination.

* Significant at the .05 level
** Significant at the .01 level

We emphasize that all these results must be interpreted cautiously, because many potential control variables were not included in the models, and others (e.g., service area characteristics) were measured only very crudely. Certainly these results can in no way be said to represent the effect of participating in the demonstration relative to not participating; thus, the absence of effects of the various demonstration projects in the above models certainly does not mean that the projects were *ineffective*, but suggests instead that they were generally *equally effective*. However, these findings do suggest that differences in post-program outcomes have more to do with pre-enrollment differences among participants (e.g., pre-enrollment employment, gender) and whether they were still farming after termination than with having participated in one demonstration rather than another or having received services of particular types.

LONGER-TERM OUTCOMES

We have seen that many participants were still living and working on the farm after they left the demonstration, and many were working off-farm. But what happens over time? Were participants successful in holding on to farms that were once seriously in jeopardy? Or did their participation in the demonstration merely forestall their farms' eventual demises? Did participants increase their off-farm employment, as they found more and more that they needed to supplement their farm income with outside earnings? Or, once farms' financial conditions improved, were farmers able to pare back their off-farm employment and devote more time to their farms' operations?

Working On and Off the Farm

We have data with which to answer some of these questions for a subset of several hundred demonstration participants, from a follow-up survey that asks about farm and off-farm outcomes 15 months after they left the demonstration. Table VI-11 shows for this subset the percentage who were still farming land that they either owned or rented 3 months after termination and 15 months after termination. The percentage drops sharply over this time in all the demonstration states, but especially in Iowa and South Dakota. Thus, whereas about 50% of participants were still farming 3 months after termination, one year later only about one-third were still farming.

Despite the fact that additional people have left farming during the year between these two surveys, the rate of off-farm employment has not increased, as the table also shows. In fact, there is evidence in some states of a drop in the number of participants

Table VI-11

Postprogram Farm and Employment Status

	Overall	Iowa	Minn.	N. Dak.	S. Dak.
Farming Own Farm (%)					
3 Months After Termination	54.3	55.3	42.5	57.3	58.3
15 Months After Termination	36.8	31.9	32.5	42.7	33.3
Number of cases	212	47	40	89	36
Working Off Own Farm (%)					
3 Months After Termination	70.1	83.3	74.4	63.7	63.9
15 Months After Termination	65.9	70.8	74.4	53.9	80.6
Number of cases	214	48	39	91	36

Note: Data are taken from the Long-Term Follow-up and Participant Information Form, for the subset who were administered the Long-Term Follow-up

who were working off the farm. Only South Dakota, which showed about the steepest drop in farming, recorded a modest increase in off-farm employment.

Among the one-third of participants who were still farming, Table VI-12 shows that almost half reported that the financial condition of their farm had improved. For many others (about 36%), conditions were at least no worse. Still, about one-fifth of those who were still farming reported a deterioration in their farm's condition, and they thus presumably remained in financial jeopardy.

Meanwhile, those who left farming did so very often for financial reasons, as we might expect given the demonstration projects' eligibility rules. Thus, almost all those who left farming cited the "poor financial condition of the farm business" as a reason for their leaving. Personal reasons, such as health or family circumstances, were important as well in some cases. About one-quarter left at least partly because of good off-farm opportunities, which they were able to access perhaps in many cases because of the retraining or other services they received from the demonstrations.

Subsequent Outcomes for Farmers and Others

The decision to give up farming is obviously a painful one. But although there are typically high psychological costs, most dislocated farmers and family members are able to get along with their lives and even succeed financially and otherwise. Table VI-13 charts the progress one year later of those who were no longer farming shortly after termination. They were overwhelmingly still employed off-farm. Among those who were employed at both 3 months and 15 months after termination, there was some movement towards higher earnings and white-collar jobs. Participants also were more likely to be receiving fringe benefits later rather than earlier, and they were less likely to be looking for other work.

Although these movements are modest to be sure (and often barely attain statistical significance at the .10 level), the general pattern on most of these measures is towards improved levels of compensation for off-farm employment, consistent with a picture of workers making steady if slow advancements in their new careers.

Incomes certainly also have improved over these years, as shown in Figure VI-2. This figure compares families' total income in the year before enrollment with their income in the period after enrollment, among those who were no longer farming just

Table VI-12

Farms' Financial Conditions and Reasons for Leaving (%)

Compared to a year ago, is the financial condition of the farm:	
Worse	20.5
About the same	35.9
Better	43.6
Number of cases	78
Reasons for no longer farming	
Poor financial condition of the farm business	94.8
Personal reasons	29.0
Good off-farm opportunities	24.6
Number of cases	77

Note: Data are from the Long-Term Follow-up, administered to a subset of terminees. The first tabulation is restricted to those who are still farming on farms they either own or rent. The second tabulation is restricted to those who are no longer farming.

Table VI-13

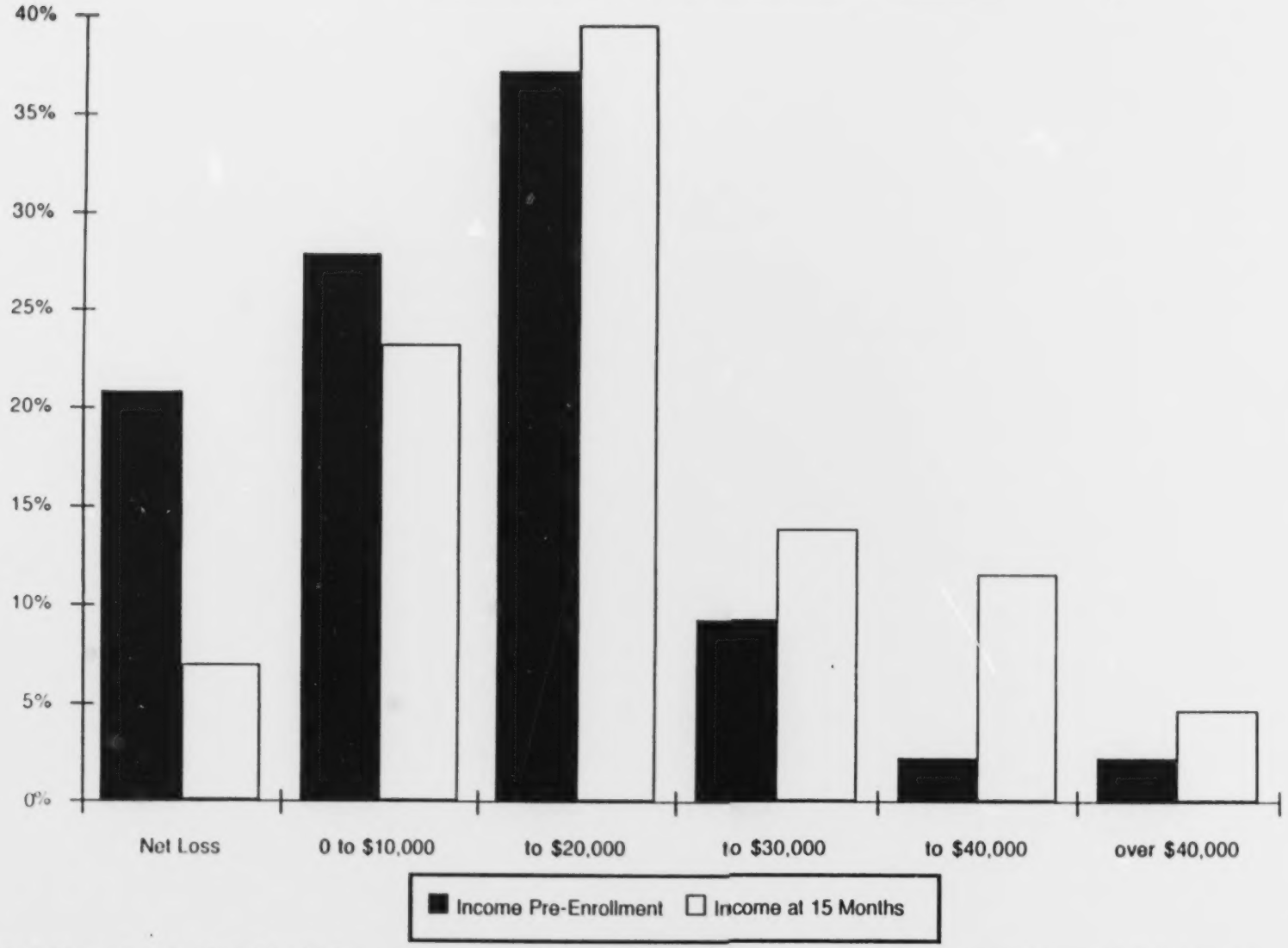
Postprogram Employment Outcomes for Those Who Left Farming

	Outcomes at 3 Months	Outcomes at 15 Months
Working Off-Farm	83.8	76.8
Number of cases	421	149
Hours Worked per Week		
1 to 34	14.1	9.4
35 to 45	60.9	65 .6
Over 45	25.0	25.0
Weekly Earnings		
$1 to $200	25.9	13.8
$201 to $300	32.8	37.9
$301 to $400	25.9	25.9
Over $400	15.5	22.4
Types of Off-Farm Jobs Held (%)		
Professional, technical, managerial	11.7	16.7
Clerical and sales	15.0	16.7
Service occupations	16.7	16.7
Agriculture, forestry, fishery	20.0	20.0
Processing, machine trades, or benchwork	13.3	15.0
Structural work	8.3	5.0
Miscellaneous	15.0	10.0
Fringe Benefits of Jobs Held (% yes)		
Health insurance for self	55.2	68.7
Health insurance for family	40.3	46.9
Retirement benefits	32.8	41.3
Paid vacation or sick leave	59.7	68.7
Is the Job Seasonal? (% yes)	13.6	12.5
Looking for Additional/Other Work	30.6	23.7

Note: Data are taken from the Participant Information Form and the Long-Term Follow-up, with the tabulations restricted to those no longer working their own farms 3 months after termination. With the exception of the first item, tabulations also are restricted to those (about 60 cases) with off-farm employment both 3 months and 15 months after termination.

Figure VI-2

Pre/postprogram Family Income, Farmers Leaving



Note: Comparison is of total family income in the year before enrollment and the year after enrollment, among those who left farming.

after termination.[8] Note that those with very low incomes—net losses and incomes below $10,000—declined over this interval, while those in all categories of income above $10,000 increased.

This evidence clearly suggests that the financial picture is turning brighter for those who made the decision to leave farming. But matters seem at least as bright for many of those who continued to farm, as Figure VI-3 makes clear. This figure compares the income distributions at the two time points for those still farming 3 months after termination. Here again, those who reported very low incomes declined sharply over this period. But increases among those reporting very high incomes, including amounts over $40,000, were even more pronounced. Thus, in some cases, the financial health of the farm business must have rebounded sharply, whether due to the intervention of the demonstrations or because of changed market conditions, weather, or other causes.

SUMMARY

The results presented in this chapter describe the types of services received by participants, highlight the differences in service priorities across the demonstration projects, and document the shorter-term and longer-term outcomes obtained by terminees. Among our findings:

- Services Received and Provided

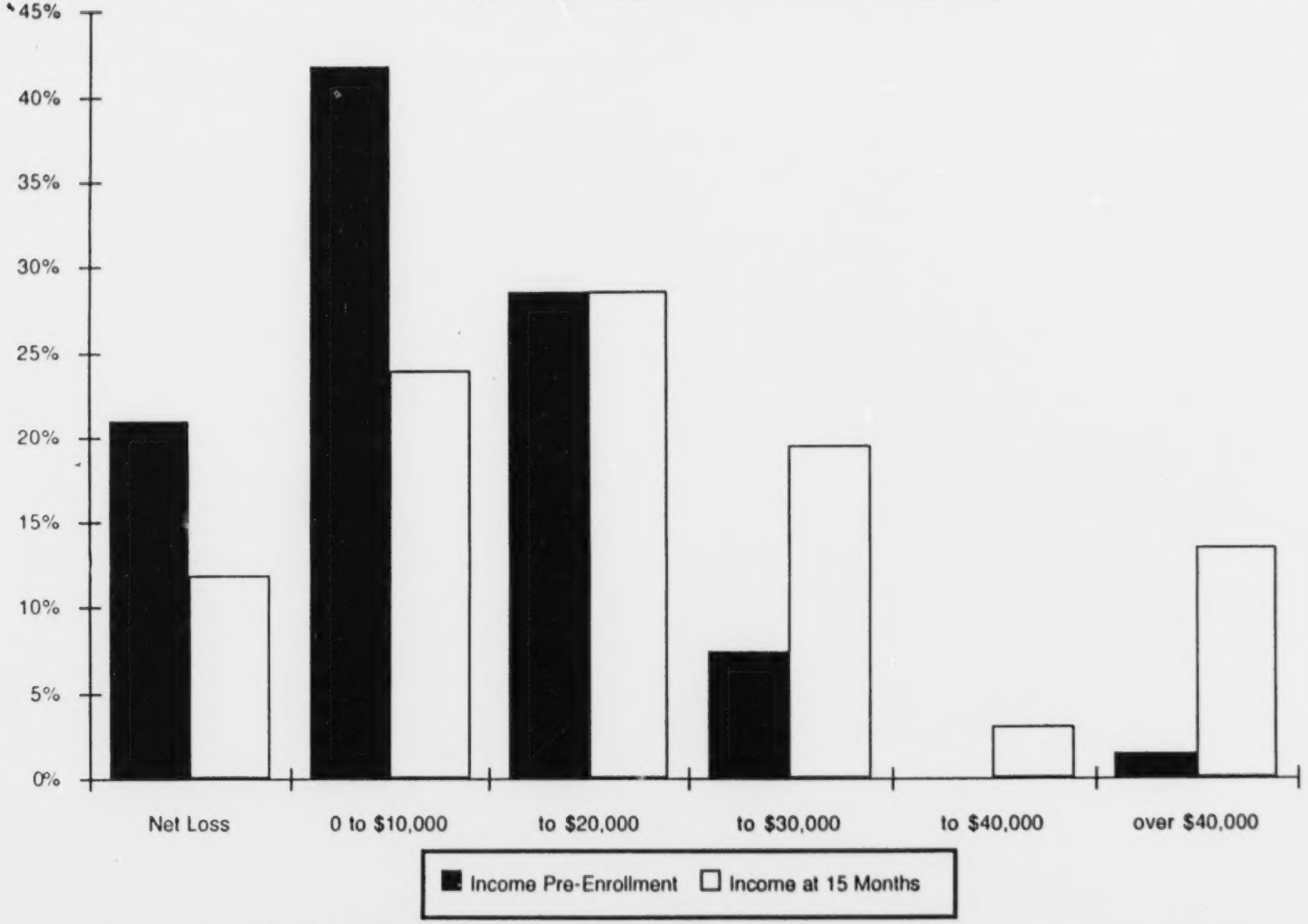
  -- About 80% of the participants received retraining of some kind, with rates of retraining especially high in Minnesota and South Dakota and lowest (but still above 70%) in North Dakota.

  -- Retraining usually took the form of occupational classroom training, which was completed by over one-half of all persons being served. Only small

[8]These comparisons are based on those who provided incomes at both time points, so we are comparing the same group of people over time. The Participant Information Form asked about pre-enrollment incomes only for those who were "primarily farmers" or "spouses of farmers" in the year before enrollment. Income after termination was asked about on the Long-term Follow-up (LTF) and refers to income in the preceding calendar year. Because the LTF was administered 15 months after termination, respondents are generally reporting their income for periods that include time they were enrolled in the program. To minimize this overlap, we restricted this tabulation to those who were administered the LTF no later in the year than July. Thus, participants would have been enrolled in the program for no more than 3 months of the 12-month period for which they are reporting their income.

Figure VI-3

Pre/postprogram Family Income, Farmers Staying



Note: Comparison is of total family income in the year before enrollment and the year after enrollment, among those still farming.

numbers completed basic skills training, and only about 15% completed on-the-job training.

-- The duration of participation varied widely across participants, with about 21% receiving services for no more than a few months, another 22% receiving services from 3 months to 6 months, 26% receiving services from 6 months to 1 year, and the remaining 31% receiving services for longer than 1 year. Spells of participation were somewhat shorter in South Dakota than elsewhere, and long spells were more common in Minnesota.

-- Expenditures per participant varied widely. They were lowest in South Dakota, at $1,700; intermediate in North Dakota, at about $3,000; and highest in Iowa and Minnesota, at about $3,700.

-- Funds also were spent very differently. Iowa allocated far more of its expenditures for basic readjustment assistance (about 30% of its total funds) than any other program, reflecting the very long time it spent on recruitment and in counseling participants while they were deciding whether to undergo training. Iowa also spent more than any other program on supportive services (about 16% of its total funds). Consequently, it spent a smaller proportion of its funds on retraining (at about 37%). By contrast, Minnesota and South Dakota spent over 70% of their funds on retraining. North Dakota's expenditures were intermediate between these extremes, with 60% of its dollars allocated for retraining and 20% allocated for basic readjustment assistance.

-- Presumably reflecting their need for immediate income, only about half of those who were already dislocated received retraining, and their duration of participation was among the briefest. By contrast, almost 90% of dependents of farmers received retraining, and they participated for almost 1 year, on average. Farmers, spouses, and hired hands fell in between these extremes.

-- Compared to formula-funded EDWAA clients served by these SSAs, all programs except North Dakota were more likely to provide demonstration participants with retraining and to serve them for longer periods of time. In North Dakota, demonstration participants were about as likely to

receive retraining as other EDWAA clients. In all programs, per participant expenditures were appreciably larger in serving demonstration participants than formula-funded clients.

- Short-Term Outcomes

  -- About two-thirds of participants were still living on a farm just after termination, and 50% were still farming. Thus, the projects were successful in "keeping the family on the farm" in many cases.

  -- Many participants—about 80% in Iowa and smaller numbers elsewhere—were working off-farm 3 months after termination. Those who left farming were much more likely to have off-farm jobs than those who were still farming.

  -- Those who were employed were in a great variety of jobs, ranging from clerical positions to medical assistants to farmworkers. Earnings from this employment were usually fairly modest, and fringe benefits, including health insurance, were often not provided.

  -- Not all of this off-farm employment should be viewed as a consequence of program participation, because many participants also were employed off-farm before enrollment. Those employed off-farm before enrollment were more likely to be employed off-farm at termination.

  -- Increases in off-farm employment were much higher among those who left farming than among those who were still farming. Similarly, earnings from off-farm employment were greater among those who worked before and lower among those who were still farming. Females also earned less, other things being equal. After controlling for these participant characteristics, programs seemed to be about equally effective in boosting off-farm employment, although earnings increases were somewhat smaller in North Dakota than elsewhere. Similarly, evidence that retraining (as opposed to basic readjustment assistance only) boosted off-farm employment and earnings is equivocal, at best.

- Long-Term Outcomes

  -- Whereas 50% of participants were still farming shortly after termination, just one-third were still farming 1 year later. Thus, displacement from farming was in many cases forestalled just temporarily.

  -- However, among the one-third of participants who were still farming over a year after termination, many reported substantial increases in total income, suggesting that their farms have rebounded from their earlier difficulties.

  -- Rates of off-farm employment have not increased over this period. However, among those employed off-farm both shortly after termination and 1 year later, earnings and incomes and access to fringe benefits appear to have increased modestly.

VII. Effective Strategies to Reach and Serve Farmers

In this chapter we focus on the targeting policies, outreach and recruitment activities, coordination and integration with other organizations and, to a lesser extent, the service strategies offered by the programs to address the question, "What Works?"

The goal is not to prescribe one monolithic model for recruiting and serving dislocated and at-risk farming families. Nor is it our objective to judge the overall performance of each project. Rather, it is our purpose in this chapter to describe and compare a wide range of both time-tested and novel strategies used within the demonstration, and to assess their strengths and weaknesses. We seek to identify particular approaches that appear to have been implemented successfully, as well as those which failed to produce the desired results. To accomplish this we draw on the case studies, written progress reports and results from the tabulations reported in Chapters V and VI on the participants, services and outcomes of the demonstrations. See also Appendix B, "Supplemental Case Studies."

More specifically, this chapter addresses the following key policy questions:

- **How comparable were the programs in terms of their agricultural, economic and institutional contexts?**
- **Did the programs recruit former farmers, farmers leaving farming or farmers trying to keep the farm?**
- **Did the programs perform adequate outreach to enroll substantial numbers of at-risk and dislocated farmers?**
- **Did the programs build cooperative and constructive relationships with other organizations to maximize the quality and quantity of services to participants?**
- **Did the programs offer services that have the potential to make a difference in the lives of participants?**

CONTEXT

How comparable were the programs in terms of their agricultural, economic and institutional contexts?

We begin by comparing the contexts in which the programs were conceived and implemented. Each program was molded by a variety of external factors that made up the institutional, economic and agricultural environment. The degree to which a program's outcomes and performance can be compared, and to which inferences can be made about which strategies are associated with particular outcomes, is determined in part by how similar the contexts were.

In very general terms, the economic and agricultural conditions in the eight states in which the programs operated were more similar than dissimilar. All eight states are in the Midwest and share borders. (See Figures IV-1 and B-1). This region as a whole fared relatively well during the recession of the early 1990s with unemployment rates in 1991 well below the national average.

The service areas under the demonstration projects did vary, however, in the number and size of their urban centers. The service areas of North Dakota and parts of South Dakota were the most remote in the demonstration. Although the North Dakota projects included two sizable towns (with populations of about 15,000 and 17,000 in each project area), farmers had to drive for many hours to reach them. The northwest corner of South Dakota is extremely remote, with one of the lowest population densities in the country. On the other hand, the state includes many towns with populations greater than 10,000 and two large, thriving cities: Rapid City in the west and Sioux Falls in the east. In Iowa, one project served an area with three important urban centers, including Cedar Falls and Waterloo, while the second service area was far more remote, with only the small town of Creston. The program in Minnesota was located in a relatively small area, sporting two cities with populations greater than 10,000 (Marshall and Worthington).

Thus, the population density, the number and sizes of towns and cities, and the remoteness or density of farms differed significantly in the four demonstration programs. These differences had implications for the capacity of outreach workers to reach a large number of farmers, for access to training and schooling options, and ultimately for employment possibilities.

All eight states are among the most agriculture-dependent in the country, albeit to different degrees. Whereas the Dakotas are the two states most dependent on

agriculture nationwide, Wisconsin, Iowa and Missouri have more diversified economies. All eight states are experiencing chronic declines in the farming population, with steady losses in the number of farms and increases in the average size of farms.

Weather conditions, which obviously have a direct and powerful impact on the well-being of farmers and on the number of them who are likely to need employment and training services, varied within this region in the few years before the demonstration started, as well as during the demonstration period. The Dakotas -- especially the western halves of the states -- suffered greatly from the drought of the late 1980s. Only during the winter of 1991 did moisture levels begin to return to normal. To the East, Iowan and Minnesotan farmers struggled with torrential rains during the 1991 Spring planting season, followed by early frosts in the Fall and severe flooding during 1993.

The number of farms in the catchment areas of the programs was surprisingly similar, with the exception of those programs that attempted to serve farmers statewide (South Dakota, Nebraska and Kansas) and the Missouri Gamm Project, which served an area supporting only about 7,000 farms. The number of farms in the areas served by the demonstration projects as well as the Wisconsin project was between 10,000 and 12,000.

Thus, although differences in the contexts in which the programs operated are not trivial, in general their overall similarities suggest that sharp differences in the implementation and outcomes of the projects were more likely to be an effect of institutional and design variations, rather than variations in agricultural or economic conditions.

TARGET POLICIES AND ELIGIBILITY CRITERIA

Did the programs recruit former farmers, farmers leaving farming or farmers trying to keep the farm?

All four demonstration projects specified that their target populations were both at-risk and already dislocated farmers and ranchers, or their spouses, dependents and farmhands. With respect to dislocated farmers, farmhands, spouses and dependents, the programs varied little. Only a handful of farmhands were recruited. Spouses enrolled at an equal rate in Minnesota and Iowa: about half the participants were female, reflecting these programs' policies to enroll couples whenever possible. North Dakota and South Dakota enrolled proportionately more men, and lacked this particular targeting policy. The programs varied in terms of how they defined the term at-risk, and in how much emphasis they placed on enrolling the at-risk or the dislocated category of

participants. (As we discussed in Chapter II, the federal EDWAA guidelines on the subject of eligibility determination for farmers leave the definition of at-risk open to states' interpretation.)

At one extreme was South Dakota, where for the first year and a half of the program only those who were either in the process of losing their farms or had already left farming were eligible. Wisconsin also had a clear policy to only recruit farmers who intended to leave farming as their main livelihood. Iowa, with Minnesota following that example, assigned a much broader meaning to the term at-risk, and actively sought to assist financially stressed farmers who wanted to remain in farming. In one progress report from Iowa, project leaders lamented the fact that they were only able to "save" a handful of farms. In North Dakota, while somewhat more emphasis at first was put on helping dislocated farmers, substantial effort was devoted to helping those at risk of displacement by enrolling them in farm management courses.

In practice, all four demonstration projects ended up enrolling many more farmers who were at-risk than were already dislocated. Overall, only 9% of those who had terminated from the program by Spring of 1993 identified themselves as dislocated farmers (that is, they were not farmers for most of the year prior to enrollment), with very little variation across the four demonstration states.

The two states that excluded farmers who were unlikely to lose their farms in the near future, South Dakota and Wisconsin, were also the states with lower-than-planned-for enrollments. Notably, as soon as the South Dakota program changed its policies to include at risk-farmers, enrollments picked up rapidly.

Thus, it seems apparent that the programs took advantage of remaining ambiguity in the DOL regulations, expanding the definition of at-risk to include farmers who, although suffering financial hardship, have no intention of leaving farming. And further, unless the pool of eligible farmers includes this group, the demand for employment and training services, at least during the early 1990s, may be less than overwhelming.

OUTREACH AND RECRUITMENT

Did the programs enroll substantial numbers of at-risk and dislocated farmers?

Although the number of enrollees in the programs is not a perfect measure of the success the programs had in recruiting clients, it is a good indicator. Clearly, other

factors, such as the percentage of farms at risk of bankruptcy, weather conditions, and the remoteness of farms in the area, exerted significant effects on the number of clients the programs were able to recruit. Nonetheless, given comparability of the total number of farmers in the areas covered by the programs, the total amounts of funding, and the time frames, enrollment levels are a meaningful, if somewhat crude, measure of outreach success.

Between July 1, 1990 and June 30, 1993, North Dakota enrolled 498 participants, Iowa 332, Minnesota 328, and South Dakota 318. (As we saw in Chapter IV, most of South Dakota's participants enrolled in the last quarter of this period after the project hired three outreach workers.) By Spring 1992, the programs in Iowa and Minnesota had waiting lists, while the program in South Dakota was still struggling to meet its first year's target! Interestingly, the total number of farms in the catchment areas bore little relationship to the total number of farmers enrolled. During the first year of the project, South Dakota served an area with 37,000 farms (the whole state), while North Dakota, which served the greatest number in the program, covered an area supporting only about 11,000 farms. Clearly the demonstrations differed dramatically in both their enrollment outcomes and their outreach strategies.

Practitioners have long known that one of the greatest challenges in helping stressed farmers and their families is convincing these proud and independent people to accept the help they need, whether that help is someone to listen to their problems, a bag of groceries, a financial consultant who can give an impartial evaluation of the solvency of the operation, or training for a new career. Over and over again, veteran employees in the demonstration projects described the formidable emotional and cultural barriers they had to overcome in order to reach this population. And when a farm family is facing the loss of a farm, the shock, shame and grief they often experience make the outreach worker's task even more difficult.

It is no accident, therefore, that most of the programs devoted considerable resources to planning and conducting outreach and recruitment strategies that went well beyond the routine outreach typically conducted by mainstream EDWAA programs. Perhaps more than in any other area, the projects demonstrated new tactics and fine-tuned traditional outreach approaches for farmers. Such outreach activities can be divided into two groups: those designed to "get the word out" to the community and those designed to identify and recruit individual farmers into the program.

Getting the Word Out

In Chapter IV we described the outreach activities of each program in some detail. There we saw that the programs differed in the number of outreach activities they used, the type of strategies they used and the intensity of the efforts and resources they devoted to outreach. All four states used methods such as press releases, appearances on radio shows, public service announcements and paid advertising to spread the word in the community. But the programs varied in terms of how intense this effort was, how long it lasted and whether additional, more innovative methods were used. For example, while South Dakota attempted to promote the program initially through press releases, newspaper articles, newsletters from farmer organizations (e.g., the Farmers Union and Farm Bureau) and flyers, most of this activity occurred only during the first few months of the program, and was rather sporadic and ineffective. Iowa, on the other hand, conducted the same kind of outreach activities as South Dakota, but enhanced its efforts with other techniques, including a special outreach video created for their program. They also maintained the visibility of the program by continually promoting the program through such mechanisms as advertising and frequent task force meetings.

Wisconsin stands out from all of these programs, because while its initial promotion activity was extraordinarily intense, it was relatively short-lived. Program staff devoted virtually all of their time in the first four or five months to promoting the program through the media in a concentrated effort to get the word out. After this period they did very little aggressive outreach.

Most of the programs recognized during the design phase that one important method for spreading the word about the program would be the use of existing networks and organizations already in contact with farmers. In practice, programs relied to varying degrees on organizations that come into regular contact with farmers for outreach. North Dakota emerged as the model most closely integrated with farmers' organizations, via its partnership with the Agricultural Mediation Services. By using Ag Mediators as outreach workers, the North Dakota program directly tapped into pools of financially stressed farmers. The Iowa program worked closely with the Extension Service's special program responsible for identifying troubled farmers. South Dakota and Minnesota, on the other hand, had little interaction with agricultural or farmers organizations.

In no state did a successful relationship between program staff and regular county Extension agents materialize, although most programs listed Extension as an important

referral source in their proposals. Although some programs attempted to keep Extension agents informed of the program, the missions of the two organizations appear to be not only different, but almost incompatible. While the primary objective of Extension is to provide technical assistance to farmers to make their operations more productive or viable, the primary mission of the demonstrations was to either help people leave farming, or at least reduce their dependence on farming.

Similarly, few programs used lending institutions as a central strategy to get the word out about the program. Most programs informed local banks either through personal visits or brochures, but reported few, if any referrals coming from banks. One exception was in Iowa, where a local official from FmHA worked closely with project staff. The North Dakota program included creditors, including FmHA representatives, on its task forces, who made some referrals and met monthly with project staff.

Some states envisioned farmers political organizations such as the Farmers Union or the Farm Bureau as a promising mechanism to promote the program. In practice, these organizations did not get involved in spreading the word, although some included notices about the demonstration in their newsletters.[1]

The Nebraska program depends heavily on a unique outreach tool. The Ag Action Centers offer free, intensive financial evaluation to virtually any farmer who asks for it. The program has used this technique for years to draw farmers into its program. The farmers have little to lose and all to gain with such an evaluation and often enroll in the program for further services once the evaluation is completed. Similarly, in Wisconsin, many farmers first heard about the farm program through farm credit counselors, volunteers working for the Department of Agriculture who offer free financial advice to Wisconsin farmers. In fact, one of the outreach workers for the project was himself a volunteer farm credit counselor.

Several programs used special 800 number hotlines that interested farmers could call for more information about the program. In one of the Iowa SSAs this outreach tool, combined with paid advertising, was identified as the single most effective approach. Kansas also used a hotline as the primary mechanism to reach farmers.

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[1]The organizations may have interests that directly conflict with those of the programs, just as the Extension Service has. As the number of farms decline, the political base for these groups deteriorates. Thus, these organizations may be suspicious of any organization that helps people leave farming.

However most of the other programs operating in states where the Department of Agriculture operated a hotline reported that virtually no farmers were referred to the demonstration from this source. Evidently, most farmers who need employment and training services do not contact the Department of Agriculture for assistance.

Enrolling Farmers

The programs varied greatly in how they went about recruiting and enrolling individual farmers, from a relatively passive approach -- where project staff simply waited in their offices for potential participants to come in -- to intense, highly personal and aggressive outreach performed by project staff who spent all but a few hours a week visiting with farmers, traveling the back roads, and spending hours in the kitchens of farming families.

One of the key predictors of a program's ability to enroll participants was if the project had hired specialized staff to do outreach and if so, how much of their time was devoted to the program. Of the four demonstration programs, three had specialized staff on board from the beginning. Iowa hired one case manager/specialist in each SSA, both of whom were dedicated to the project. Minnesota hired three but reduced the number to two staff fully dedicated to the demonstration in their SSA. North Dakota hired two mediators whose time was paid for in full by demonstration funds to do outreach, but who also performed many of their normal mediation activities.

The programs also used existing JTPA staff in a number of ways. In North Dakota two Job Service representatives -- one in each of the project's service areas -- were dedicated to the project and worked closely with the Ag Mediators. In Minnesota, several job specialists employed by the PIC took over farmer participants once they were enrolled in the program, and arranged all services for these clients. In South Dakota, no new staff were added until nearly eighteen months after the demonstration started, and existing staff were responsible for all demonstration services. After eighteen months, three outreach workers were hired who worked closely with these staff at the local Career Learning Centers.

Another long-acknowledged predictor of success is whether the staff themselves are or have been farmers. All but one of the outreach specialists across the entire demonstration were either currently farming or had lost their farm in recent years. Program staff in Wisconsin, Nebraska and Kansas also had farming backgrounds. The axiom "It takes a farmer to talk to a farmer" was put into full practice throughout the

demonstration. Administrative staff in these programs could not emphasize enough in their interviews, progress reports and elsewhere how critical to the success of outreach having former farmers was.

Neutral office space was another key element enhancing recruitment success. Recognizing that farmers are unlikely to come on their own to public service offices such as Job Service or social services, most sites within the demonstration were located in neutral office space -- either in special project offices such as in North Dakota or Missouri, or in an educational institution.[2] One of the two projects in Iowa worked out of the local community college, the local field offices in Wisconsin were located at the local vocational-technical college, and in Nebraska all five Ag Action Centers use space in community colleges. In South Dakota, demonstration services (and most JTPA services) were delivered from the offices of Career Learning Centers.

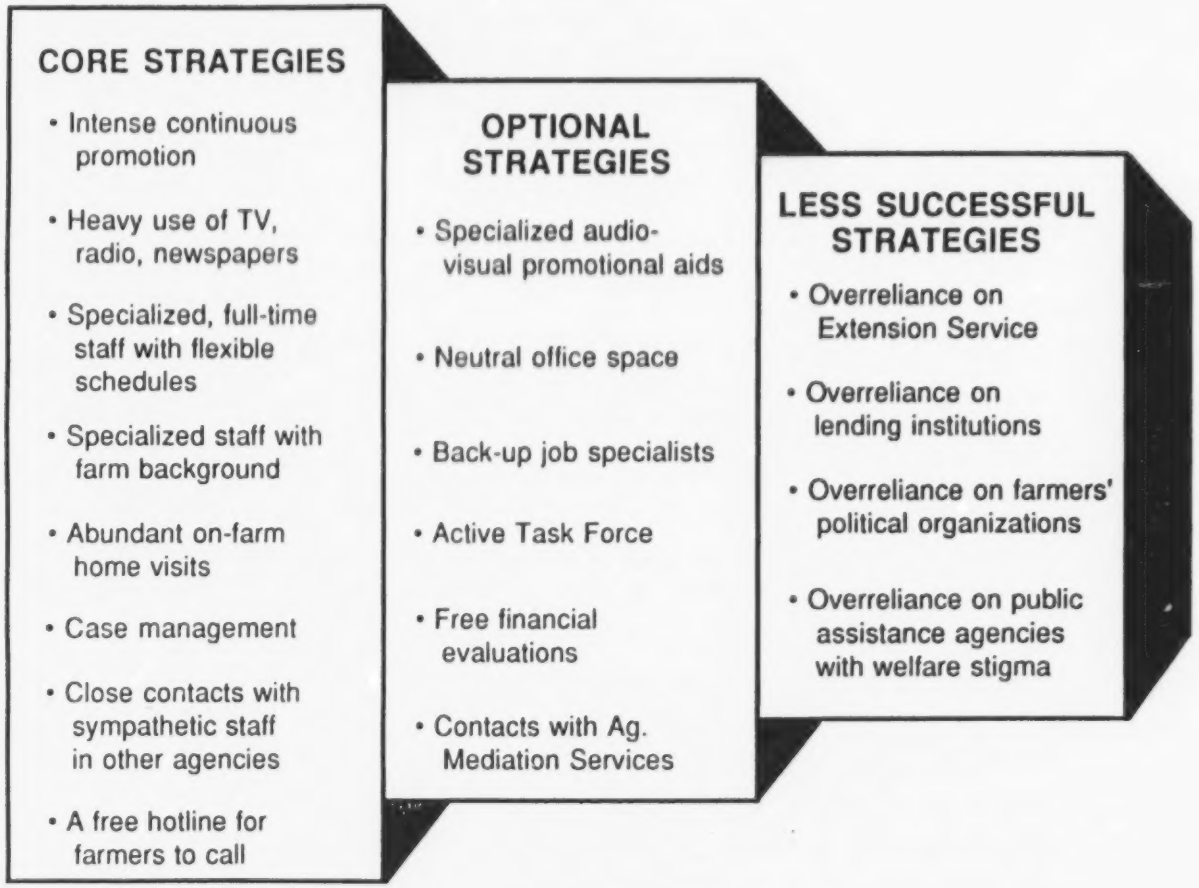
Abundant on-farm visits were the norm in programs with successful outreach. In Minnesota, Iowa and Wisconsin, outreach staff visited prospective participants in their own homes, not only to enroll them but to provide assessment, counseling and other services. This strategy proved to be key. Most outreach staff spent most days of the week on the road, requiring flexibility in their own worktime to schedule travel and open-ended visits on farms.

Thus, the programs used a variety of promotional and outreach methods, some of which appear to be core, or fundamental for any outreach strategy, and others which were effective for particular -- but not all -- programs. In Figure VII-1 these strategies are grouped according to whether they appear to be central to successful recruitment (used by those states that met or exceeded their enrollment goals, and identified as key by respondents), whether they were used by some programs successfully but not perceived as essential, and whether they were attempted or planned but did not result in successful outreach.

[2]Starting in Fall 1991, the North Dakota program began closing its special project offices and moving staff and services into Job Service offices. It will be interesting to observe whether this change is accompanied by a drop in enrollments.

Figure VII-1

Outreach Strategies


CORE STRATEGIES
• Intense continuous promotion
• Heavy use of TV, radio, newspapers
• Specialized, full-time staff with flexible schedules
• Specialized staff with farm background
• Abundant on-farm home visits
• Case management
• Close contacts with sympathetic staff in other agencies
• A free hotline for farmers to call
OPTIONAL STRATEGIES
• Specialized audio-visual promotional aids
• Neutral office space
• Back-up job specialists
• Active Task Force
• Free financial evaluations
• Contacts with Ag. Mediation Services
LESS SUCCESSFUL STRATEGIES
• Overreliance on Extension Service
• Overreliance on lending institutions
• Overreliance on farmers' political organizations
• Overreliance on public assistance agencies with welfare stigma

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COOPERATION AND INTEGRATION

Did the programs build cooperative and constructive relationships with other organizations to maximize the quality and quantity of services to participants?

Each of the demonstration programs recognized the importance of cultivating close ties with other organizations, in particular those that come into contact with farmers. Most demonstration programs tried to build into their designs ways to take advantage of the referral networks and services offered by other institutions. While coordination and integration enhance any JTPA program, farmers' programs stand to gain even more from integration with farmers organizations and the agricultural institutional community for several reasons. First, farmers, as we have mentioned throughout this report, are unlikely to seek out conventional social services through normal channels. They traditionally avoid Job Service offices and Food Stamp offices and do not think of themselves as welfare clients.

Second, the needs of farmers differ from the needs of most participants in job training programs. For example, most of the farmers who enrolled in the demonstration needed a substantial amount of formal or informal mental health counseling before they were ready to enroll in school or search for a job. Others needed financial or legal consulting, if for no other reason than to recognize the reality of a failing business, and to prepare for moving out of agriculture. At-risk farmers, especially those who seek to remain on the farm, may also want farm management courses. Third, farmers often need intensive assessment and vocational counseling.[3]

The degree to which the programs were able to achieve close coordination with other institutions, however, varied greatly. The types of organizations that the programs worked with (or failed to work with), the nature of the relationships the programs developed with organizations, and the outcomes of those relationships are the subjects of this section.

The organization that the programs worked most closely with in the form of cross-referrals was the Agricultural Mediation Services with the state Departments of

[3]Most of the participants had farmed for most of their adult lives, and had grown up on farms. Staff reported that many believed that all they could do was farm, and it took professional and thorough assessment to identify their skills and persuade the farmers that they had extensive experience in a wide range of activities, including bookkeeping, welding, machine repair, carpentry, veterinary skills, and so on.

Agriculture. Ag Mediation was an integral part of the North Dakota program, where Ag Mediators and Job Service staff paired up to recruit and serve farmers. Ag Mediators referred a substantial number of farmers to the demonstration in Minnesota and Iowa, and somewhat fewer in South Dakota. They performed the same role for the programs in Wisconsin. Agricultural Mediation was also an important out-referral for the programs in Iowa, Minnesota, North Dakota, Wisconsin and Nebraska, when farmers who needed help resolving credit disputes were referred to Ag Mediators. Key to successfully working with the mediators was ensuring that the mediators were not only aware of the program, but were supportive of the program's goals.

The state Department of Agriculture was also instrumental when they operated a hotline for farmers and had a mechanism in place to refer callers to the program (Kansas, Wisconsin and South Dakota are examples.) And although departments of agriculture were underutilized in the demonstration states, they provided direct funding to the programs in Kansas and Nebraska.

Legal Services was another important out-referral for many programs, most notably in Iowa and Minnesota. Although many programs expected to work closely with Mental Health services, cross referrals were rare in all the programs. The mental health counseling needs of farmer participants were met primarily by project outreach workers, who took great pride in their ability to provide support and a listening ear to their troubled clients. The only program where mental health services were closely integrated into the program and service package was in Nebraska, where funds were earmarked for this particular service.

As we discussed in detail in the last section, most programs planned but failed to have a close working relationship with Extension Service agents. Initially, the idea seemed promising. Local Extension agents know the area and the farmers, and would in their day to day activities recognize farmers who needed the kind of assistance offered by the program. In practice, however, few referrals came from Extension agents. Even in a program where one of the demonstration staff was married to the local Extension agent the relationship between the two organizations was not strong.

Other organizations that worked with the demonstration projects included the Farmers' Union, FmHA, religious groups, community groups, and vocational-technical colleges.

Farmers' programs not supported by demonstration funding have perhaps the most to offer in terms of examples of coordination and integration with other agencies. Both FACTS in Kansas and the Gamm Program in Missouri make frequent referrals to other organizations. Their models depend on constructive, close relationships with other agencies. Both programs have also succeeded in creatively financing their operations with funding from several agencies. The Nebraska program is also the product of close cooperation between several institutions, the SSA, the Department of Agriculture, Mental Services, and community colleges -- each providing ideas, resources, staff, funding or in-kind services.

RETRAINING SERVICES

Did the programs offer services that have potential to make a difference in the lives of their participants?

In many respects, it is still too early to pose the question of what types of services work best for farmers. Only a small proportion of participants have been on their own long enough for us to reliably measure the effects of the services they received. Until more data are collected on all participants in the demonstration, it will be difficult to draw conclusions about the relative effectiveness of service strategies.

Moreover, the components of the programs that exhibited the most diversity and creativity were promotion, outreach, counseling and assessment, rather than retraining services. Once farmers were enrolled and moved into active participation, most received approximately the same treatment as other EDWAA participants. For example, in states where long-term training was a policy priority, farmer participants were more likely to receive long-term training, along with their EDWAA counterparts, than in states that stressed job placement or brush-up skills training. In states where OJT was de-emphasized, few farmers were placed in OJT. But despite the similarities between retraining services under the demonstration and in mainstream EDWAA programs, several service strategies have emerged as potentially useful or appropriate for farmer participants.

Long-term Occupational Skills Training in the Classroom

Iowa and Minnesota emphasized long-term training for their participants, and took full advantage of the enhanced funding under the demonstration to urge farmers to attend school. The project in Wisconsin also stressed long-term training, and identified this option as the single greatest draw of their program. Many staff and instructors reported

that once farmers decided to go back to school, they became exemplary students. Accustomed to hard work and long hours and highly motivated, relatively few program participants dropped out or failed.

On-the-Job Training

Although OJT was officially de-emphasized in many of the states we studied, several programs insisted that high-quality, closely-monitored OJT was extremely effective in helping farmers make the transition into non-farm employment. Employers found farmers to be hard-working, skilled, and reliable, and they were easily placed in OJT. This option was particularly effective for farmers who did not feel comfortable in a classroom setting, but who despaired that they "couldn't do anything except farm." The chance to earn wages, work, and receive training all at once may prove to be a highly appropriate training strategy for many farmers.

Support Services

Nearly all the projects emphasized the need for generous support services for their participants, especially for gas mileage. Demonstration funding allowed some programs to place no cap on such services, which often made it possible for a farmer to attend school or drive into town for an interview. Child care and other support services, by contrast, were in far less demand.

Farm Management Courses

Most of the demonstration projects offered participants farm management courses, a type of training specifically for farmers. Through classroom and on-farm instruction, students received training in how to better manage their business, from forecasting their earnings to crop selection to keeping their books. Participants who opted for this type of training typically received tuition reimbursement from the demonstration projects. Yet although the demand for this type of schooling was high, and several projects promoted their program by offering it, other programs seemed uncertain if this was an appropriate service or how to record it as an EDWAA activity. In one program, participants who completed a farm management course but had no off-farm employment were, nevertheless, recorded as having entered employment, with a corresponding occupational classification of management trainee.

Case Management

Although case management is not explicitly a type of service, it was used widely as a service delivery technique in the demonstration, and met with clear success. Because of the unique needs and circumstances of farmers, as discussed throughout this report, the frequent, intense and personal contact between the participant and the case manager appears to be highly instrumental for a successful outcome for many farmer participants. Various models of case management were tried. In Iowa, case management was fully implemented, and participants dealt primarily with one project staff person from the first contact through the duration of their participation, and even beyond termination. In Minnesota and North Dakota, participants sometimes shifted to working with a job specialist after initially working with the outreach worker. In South Dakota case management was not institutionalized in the farm project nor has it been elsewhere in the JTPA service delivery system. In the supplemental case study programs, Wisconsin and the Gamm Program also utilized a form of case management. According to the perceptions of staff and administrators in the programs where case management was promoted, it was the key element in their successes. Participants with close, trusting relationships with their case managers seemed more likely to stay with programs, to work to meet their goals, and to rate the programs highly.

VIII. Conclusions and Policy Implications

The four EDWAA Farmers and Ranchers Demonstration projects came to an end in September of 1993, after operating for three and half years, enrolling approximately 1,550 clients, and spending close to five million dollars. Although the projects no longer exist as demonstrations, their legacies are still very much alive. In their wake the four Midwestern demonstration programs have influenced the futures of hundreds of farmers and their families, energetically experimented with an array of service strategies, served as models to other states establishing services to farmers, brought a new awareness of the special needs of farmers to the employment and training world, and last but not least, provided a wealth of data for this evaluation. This report has closely analyzed this information to document and describe the experiences of the projects and to assess their effectiveness. In this chapter we take stock and formulate the most significant conclusions from the evaluation. Each conclusion discussed below is followed by corresponding policy implications DOL may wish to consider in deciding on next steps.

Conclusion #1 *While there may be periods and places where the rates of decline in the agricultural sector slow down or accelerate, the displacement of farmers and ranchers has become a chronic feature of the American economy. Periodically, however, catastrophic events such as drought, flooding or sharp market changes temporarily worsen conditions for farmers, placing an unusually high number of them at risk.*

As detailed in Chapter II, displacement from farming is nothing new: America has survived through massive net shifts out of farming for much of this century, due to factors such as increased foreign competition, worldwide production overcapacity, improved technology and declining federal subsidies. Moreover, these trends are expected to continue unabated in the years ahead. The steady declines in the numbers of farms are punctuated, however, by periods of unusually high levels of dislocation. The EDWAA demonstrations came at the end of one such period, the Farm Crisis of the 1980s. After a period of relative prosperity and agricultural expansion, export markets weakened, commodity prices and net farm income declined, and farmland values plummeted. As a consequence, many of the nation's farmers were forced out of farming, often as a result of bankruptcy or foreclosure proceedings. Several programs designed to mitigate the effects of this crisis were spawned at the end of the decade,

some funded with national discretionary funds or special state monies. By the end of 1992, the prolonged drought that had exacerbated the crisis gradually ended, and the situation stabilized for many farmers. But a few months later, thousands of farms were once again threatened or destroyed with the disastrous rains and floods of 1993.

Policy Implications

An ongoing need is best met by an ongoing response. Rural SSAs should be encouraged to include farmers in their dislocated worker caseloads, and with adequate assistance and funding, SSAs can easily learn to meet the employment and training needs of farmers. We recommend providing technical assistance to SSAs, including dissemination of From the Farm to the Job Market: A Guide to Employment and Training Services to Farmers and Ranchers to facilitate the integration of services to farmers in ongoing programs.

Discretionary funds appear to be an appropriate and effective mechanism to respond to unusual needs but should not be used to address normal rates of decline in the farming sector.

Conclusion #2

Assessing the need for employment and training services in a local area is technically very difficult, and usually goes beyond the capacities of local programs. Nonetheless, good estimates of the numbers of farmers likely to enroll in programs is a critical element of successful program design.

The demonstration projects, like their predecessors, engaged in little systematic effort to estimate the level of need in their communities. One program simply calculated how many farmers they would serve by dividing the total grant amount by the anticipated average cost per placement to arrive at an enrollment goal. Another program (not a demonstration project) in the Midwest went to the opposite extreme, and used EDWAA funding to launch a survey of farmers to measure the need and estimate the number of potential enrollees. Good estimates of the level of need in rural areas for this type of assistance is critical for proper allocation of resources and for setting challenging, realistic goals.

Policy Implication

Technical assistance should be provided to SSAs to aid in the estimation of the number of potential farmer participants. State-level JTPA offices can

also support this activity. SSAs should be encouraged to contact agricultural organizations (e.g., state departments of agriculture, extension services, FmHA) for help in estimating levels of need.

Conclusion #3 *Farmers, for a variety of reasons, are often difficult to reach and reluctant to accept assistance. But through the use of aggressive, intensive outreach methods, the programs were able to achieve and even surpass their enrollment goals, serving a relatively high proportion of eligible farmers in their areas.*

Employment and training practitioners have long known that one of the greatest challenges in helping stressed farmers and their families is to help them admit that they need help. Over and over again, project staff described to us the formidable emotional and cultural barriers they must overcome to reach this population. It sometimes appeared that the greater the shock, shame and grief a family was experiencing from losing a farm, the harder it was to interest them in a program. Sensitive outreach workers, either former farmers themselves or trained in dealing with farmers, were found to be an indispensable tool in serving this population. The most compelling piece of evidence for this claim is found in the enrollment patterns of the one demonstration project that originally did not employ specialized outreach workers. For the first year, enrollments in this program lagged far behind the other three. Midway through the second year, three specialized outreach workers were hired and began traveling the back roads and visiting farms just as their counterparts were doing in the other three states. Enrollments began to soar, and within a short period of time had caught up with the other projects.

Policy Implications Aggressive outreach is a necessity for enrolling farmers into JTPA programs. SSAs designing services to serve farmers should be strongly encouraged to hire or train specialized outreach staff to recruit farmers.

Conclusion #4 *While allowances should be made to acknowledge the unusual efforts needed to enroll farmers, excessive resources devoted to this activity do not pay off, either in number of farmers enrolled or in employment-related outcomes.*

Those programs that spent a large fraction of their grants on outreach and recruitment did not enroll significantly more farmers than programs that spent less on this activity. While it is true that farmers will rarely come into a JTPA office on their own accord, it is equally true that they will come with some encouragement, if they are ready for a change and if they perceive that the services provided are relevant and useful. This is demonstrated by one of the four supplementary projects we studied that offered a free financial assessment of farms, a service farmers badly needed and that acted as an enticement. Another program targeted only those farmers who, if asked, would say they were prepared to leave farming and were in the final stages of foreclosing or selling. Yet as many farmers were served by these programs as in others where far more liberal eligibility rules were applied and outreach workers spent many months coaching a reluctant family into participating in the program.

Excessive efforts to recruit financially troubled farmers who were reluctant to admit that they were losing their farm did not result in improved outcomes either. Indeed, the analysis of both short-term and long-term outcomes suggests that many participants who were farming (and not working off-farm) were still farming (and not working off-farm) three months after termination from the program. It is likely that many of these participants never had any intention of leaving farming as their primary source of income, and only extraordinary recruitment efforts brought them into the program in the first place.

Policy Implications

Although SSAs should be encouraged to concentrate resources on outreach, this should not occur at the expense of more substantial services, such as retraining.

Conclusion #5

All four programs eventually prioritized enrolling at-risk farmers rather than dislocated farmers. Many project staff began to see their mission as saving as many farms as possible. Using JTPA funds to forestall farm dislocation, rather than to provide an opportunity for farmers to achieve economic self-sufficiency through off-farm employment, was not an infrequent occurrence.

Only a small fraction (about 10 percent) of the participants in the demonstration had lost their farms prior to enrolling in the program.[1] Programs targeted farmers whose operations were in trouble, but often failed to screen out those who had no intention of leaving farming as their primary source of income. Consequently, program staff sometimes interpreted eligibility rules loosely, and the projects adapted the service package to meet the needs of farmers hoping to stabilize their operations. (All provided farm management training, a service that is explicitly designed to help a farmer stay in farming.) "Saving the family farm" became at least as important to some staff as helping farmers transition into alternative careers. This duality of missions led to some inevitable tensions, as well as potentially inappropriate uses of JTPA funds.

Policy Implication In funding future programs for farmers and ranchers DOL may wish to clarify program goals, eligibility guidelines and activities that are allowable and appropriate.

Conclusion #6 *Those programs that succeeded in building strong ties with organizations that serve or regularly come into contact with the farming population reported many payoffs, including enhanced outreach and expanded services to participants.*

Many of the programs we studied devoted considerable resources and time to building close ties with community organizations or institutions that work closely with farmers. One project joined staff members from the Agricultural Mediation Services and the Job Service, and these staffers worked in pairs recruiting and serving farmers. These kinds of organizational relationships proved to be highly effective in expanding and enhancing services to participants. The linkages also facilitated referrals by JTPA programs. For example, farmers who were interested in staying in farming as their primary source of income were referred to alternative services designed to serve that end, such as farm management courses.

Policy Implication While coordination and cooperative linkages with community organizations benefit all JTPA participants, for SSAs serving farmers such linkages are essential. Local programs may need assistance in identifying and establishing contacts with

[1]This is the percentage of participants who had not farmed during most of the year prior to enrollment.

organizations, especially those with close ties to the agricultural community.

Conclusion #7 *Once enrolled, farmers often prove to be model participants, availing themselves of the full range of services and faithfully attending counseling sessions, classes, or OJT. Negative terminations were rare.*

While recruiting and enrolling farmers absorbs more resources than is traditional for other dislocated workers, farmers tend to fall in the "easy-to-serve" category, once enrolled, and their employment and training needs are not necessarily more extensive than those of other dislocated workers. Furthermore, both anecdotal evidence and our summary statistics support the contention of many project staff that farmers "make good JTPA clients." Accustomed to long hours and hard labor, and often with recent non-farm employment experience (many of the participants worked off-farm in addition to farming before enrollment) and many transferable skills, farmer participants seemed to do well whether placed in an OJT or as a full-time student at a community college.

Policy Implications The type and intensity of retraining services as delivered through mainstream EDWAA programs appear to be at least as appropriate for farmers as they are for other dislocated workers.

Conclusion #8 *The close, personal and on-going relationships between clients and staff that were a hallmark of the demonstration were the most often-mentioned factors underlying project successes.*

One of the demonstration projects applied a full case management model throughout the entire three-year period; other programs used more limited case management models. Clients who experienced the case management model enthusiastically endorsed this system, often referring to the program by the name of their case manager ("Tony's program"), rather than its actual name. These ongoing relationships fostered trust and commitment on the part of the participants, critical for the farmer participants, but no doubt equally valuable for other dislocated workers.

Policy Implication The case management model, which has been shown to be highly effective for delivering employment and training services to dislocated workers and the economically disadvantaged in general, should be strongly encouraged for programs serving farmers.

Conclusion #9 *The programs achieved a modest degree of success in finding off-farm employment for their participants. While participation in the programs led to an increase in the percentage of participants who increased their non-farm employment, the rate of increase is lower than the rate achieved by non-farm EDWAA participants, and many participants who entered the program as at-risk farmers were still farming a year after termination, without supplemental income.*

This conclusion can be explained in a number of ways. Some demonstration projects would claim the relatively high number of participants who are still farming without supplemental income as a measure of their success in saving farms. Others might interpret the finding as a measure of the programs' problems in helping farmers find alternative careers. The two most likely explanations are that some former participants continued to farm out of choice (the farm business had improved, foreclosure was forestalled or the family was still "in denial" about losing the farm) and some remained living and working on their farm because they could not find acceptable alternative employment.

The first explanation, that many farmers chose to continue to farm because their farm was no longer at risk, is supported by data showing a high percentage of farmers reporting improved financial conditions of the farm after termination. Perhaps these farmers were not truly "at risk" when they entered the program, suggesting once again the need for tightened eligibility determination regulations for farmers.

The second explanation, that participants continued to farm because they were unable to find alternative employment, is not surprising. Many of the areas covered by the demonstration suffered from a severe lack of job opportunities. Project staff often complained that keeping participants in the community was a formidable challenge because of overall declines in rural job markets. For this reason, at least two demonstration projects actively sought to assist participants in starting their own

businesses. Interestingly, relocation assistance was rarely offered in these demonstration projects, and some staff explained that they felt committed to keeping as many people in the community as possible. On the other hand, some of the most compelling "success stories" come from participants who relocated.

Policy Implications

SSAs should target services to those farmers who are reasonably motivated to leave farming as their primary livelihood and\or to increase off-farm employment.

Job-placement activities can be enhanced by encouraging self-employment. SSAs should explore opportunities for linking up with rural development activities in their areas.

Relocation assistance should be actively encouraged for those participants who are unable to find jobs in their local areas.

Appendix A: Participant Data Collection/Analysis

DATA SOURCES

The participant-level data we analyzed in Chapters V and VI, which details the characteristics of program participants, the services they received, and their outcomes, were taken from several sources. Specifically, we have:

- Individual-level data from the states' Management Information Systems (MIS) on the basic demographic characteristics of nearly all participants served by the demonstrations, as well as information on the services they received while in the program and on their outcomes at termination.

- For a subset of participants, more detailed information from the Participant Information Form (PIF) about employment experiences, financial circumstances before enrollment, and farm and off-farm employment three months after program completion.

- For a smaller subset, additional information from the Long-Term Follow-Up (LTF) about farm and off-farm employment 15 months after program completion.

These sources are described below.

States' MIS Data

Programs funded under the Economic Dislocation and Worker Adjustment Assistance Act (EDWAA) are required to submit a Worker Adjustment Annual Program Report (WAPR) after each program year. To complete this report, programs collect for each person served information on:

- The participant's demographic and other pre-enrollment characteristics, including age, race and ethnicity, gender, educational attainment, barriers to employment (e.g., whether the person has poor reading skills), and the hourly wage for the last job held in the year before enrollment.

- Services the participant received while enrolled in the program, including whether retraining was received and whether various training components (e.g., basic skills training, on-the-job training) were completed.

- Outcomes achieved at termination, including the number who entered employment, and follow-up outcomes 3 months after termination, including whether the person is employed and, if so, at what wage.

A copy of the WAPR is included as Figure A-1.

Because the programs operating the Farmers/Ranchers Demonstrations also were running formula-funded EDWAA programs, they collected this same information for their demonstration participants. Each of the four demonstration programs kindly cooperated by making this information available to us in machine-readable form. Following our request, they extracted the records from their state's MIS on all demonstration participants who were served as of the end of June 1993. The data were then forwarded to us on floppy diskettes, which we read and processed on a PC. Altogether, we received data for 1,476 participants, including 332 served in Iowa, 328 served in Minnesota, 498 served in North Dakota, and 318 in South Dakota. Table A-1 illustrates this.

We set the June 30 cut-off date to allow us time to process and analyze the data in time for writing this report. However, the demonstrations themselves did not officially stop providing services until September 1993. A small number of persons, about 75 in total, were enrolled as participants during this several-month interval between June and September and thus were not included on the data files. These late enrollees include 30 in Iowa, 12 in North Dakota, 19 in South Dakota, and an undetermined (but presumably equally small) number in Minnesota. We have no information on the characteristics of these participants.

PIF Data

The WAPR items, although interesting in their own right, were designed with the experiences of the nation's more typical dislocated worker in mind, and hence do not capture particularly well the experiences of dislocated and at-risk farmers and ranchers. Indeed, the meaning of several of the WAPR's items (e.g., the participant's hourly wage before enrollment) is elusive when applied to persons who are self-employed, especially

Table A-1

Numbers of Cases with Data from Various Sources

	State MIS	PIF	LTF
Iowa	332	109	56
Minnesota	328	137	51
North Dakota	498	231	98
South Dakota	318	131	42
Total	1,476	608	247

those whose businesses may be operating at a loss, and nothing on the WAPR enables one to disentangle farm from off-farm employment.

For these reasons, the demonstrations were required by the terms of their grants from DOL to collect supplemental information on participants. To facilitate this process and to ensure that comparable data were collected across the four projects, the evaluation team devised a Participant Information Form (PIF) to help in collecting additional information about participants' preprogram experiences and outcomes several months after termination. All demonstration programs voluntarily agreed to use the PIF, and BPA/SPR staff trained program staff in its use during the second round of site visits.

The PIF was designed as a telephone survey and was intended to be administered along with the WAPR follow-up, and thus was conducted no earlier than 13 weeks and no later than 17 weeks after a participant's termination. The PIF elicited:

- The participant's "primary" status in the year before enrollment; i.e., whether he or she was mostly a farmer, a spouse of a farmer, a farmer's dependent, a hired hand, or a dislocated farmer or spouse.

- For those identifying themselves as farmers or spouses, the family's financial condition before the participant's enrollment, including the farm's debt-asset ratio, the family's annual income, and other indicators of financial hardship or deprivation.

- Outcomes as of the time the survey was administered, approximately 3-4 months after termination, including whether the participant was living on a farm, working on a farm, or working off the farm, as well as the characteristics of off-farm jobs that were held.

A copy of the PIF is included as Figure A-2.

The PIF was introduced to the demonstration projects in early Fall 1991 and was administered by their staff to recent terminees through June 1993. Completed PIFs were returned to BPA in hard-copy form, where the data were keypunched and cleaned. As shown in Table A-1, we received PIFs for 608 participants, including 109 from Iowa, 137 from Minnesota, 231 from North Dakota, and 131 from South Dakota. At least in Minnesota, which provided us on its MIS file the date of termination for all its participants, we have PIFs for 94.5% of all persons who were targeted for it (i.e., those

whose follow-up period fell between early fall 1991, when the PIF was introduced, to June 1993, the cut-off date for data submissions). Those without PIFs, therefore, are overwhelmingly persons whose follow-up period occurred before the PIF was introduced (i.e., from July 1990 to early Fall 1991) or after the cutoff date (i.e., after June 1993).

LTF Data

As part of the evaluation we felt it would be desirable to examine the longer-term outcomes associated with participation in the demonstrations. Accordingly, the Long-Term Follow-up was introduced. As with the PIF, the use of this form was completely voluntarily, but all of the demonstration projects agreed to use it. Also designed as a telephone survey, the LTF was intended to be administered by demonstration staff approximately 15 months after each participant terminated from the program (or approximately 1 year after the PIF was administered) and elicits information about:

- Whether the participant was still farming.
- Whether the participant was working off-farm, and, if so, the characteristics of the job that was held.
- The family's total income.

A copy of the LTF is included as an attachment.

The LTF was introduced to the demonstration projects in early Fall 1992, so that those who were administered the PIF when it was first introduced would now report on their outcomes one year later. Administration of the LTF continued through June 1993. Completed LTFs were returned to BPA in hard-copy form, where the data were keypunched and cleaned. As shown in Table A-1, we received LTFs for 247 participants, including about 50 from Iowa, Minnesota, and South Dakota, and nearly 100 from North Dakota. Despite the small sample size, we have completed LTFs from about 87% of the targeted sample, consisting of those with a PIF who terminated no later than March 1992 (and therefore with at least 15 months between termination and the date that data collection ceased). Those without LTFs are overwhelmingly persons who terminated before the PIF was introduced or after approximately March 1992.

DATA ANALYSIS AND INTERPRETATION

Analyses of the participant-level data included in Chapters V and VI for the most part take the form of simple descriptive statistics and are designed to complement the qualitative picture of the demonstration projects presented elsewhere. Because the state MIS files include virtually all persons who were served by the demonstrations, tabulations of these data when used to describe the characteristics of participants or the services they received can be fairly viewed as presenting a picture of the universe of participants. However, information on services completed by participants and their length of program participation is available on these files only for those persons terminated from the program by June 1993, when the states prepared their client files for shipment. Thus, these data are missing for approximately 40% of participants in Iowa and Minnesota, 33% of participants in North Dakota, and 14% of participants in South Dakota.

Persons who had not yet terminated by the cut-off data are more likely to be undertaking training and can be assumed to have longer spells of program participation, simply by virtue of the fact that they hadn't yet terminated. Moreover, the data show that 93% of those who hadn't terminated received retraining (as opposed to basic readjustment assistance only) compared with just 75% of those who had already terminated. Estimates in text Table VI-1 for services *received* can be assumed to be unbiased, because these figures include those who had not yet terminated. However, estimates in this and other tables on services *completed* and the duration of participation can be assumed to be biased downward, because of the sample selection. The magnitude of the bias depends on the degree to which the services of those who had not terminated differ from those who had terminated and the relative sizes of these two groups. Because we know at least that the relative sizes of the two groups varied across the states (as captured by differences in the percent of all participants who were still active participants as of June 1993), the magnitude of the bias also may vary across states. Simulations that give an idea of the magnitude of these biases suggest that, when all persons have terminated, the percent of all participants who will have completed "other occupational skills training" would be 66% in Iowa (as opposed to the 60% reported in the text table), 63% in Minnesota (vs. the 59% reported), and 42% in North Dakota (vs. the 36% reported).[1]

[1]These simulations apply the rate of completing occupational classroom training as a percent of those who received any retraining, among those who had already terminated, to the percent of all participants who received any retraining. Data necessary for these computations are not available for South Dakota.

Similarly, PIF and LTF are available for just subsets of participants, and these subsets should be assumed to be non-random samples of all participants. To gauge the representativeness of these PIF and LTF analysis samples, we conducted a number of analyses of them. Some notable differences in attributes emerged:

- Those for whom we have PIF data were less likely to have received any retraining (74% among those with a PIF compared with 85% among those without a PIF), presumably because those without PIFs include all those who had not yet terminated as of June 1992.

- Those for whom we have LTF data also were less likely to receive any retraining (65% vs 84%).

- However, in most other respects the various subsets seem quite similar.

Worker Adjustment Program
Annual Program Report

Figure A-1

U.S. Department of Labor
Employment and Training Administration

a. State/Substate Area Name and Address

b. Report Type
( ) SSA #
( ) Gov Statewide
( ) Secy N/Resv

OMB No. 1205-0274
Expires 12/31/92

c. Report Period
From: 7/1/19 __ To: 6/30/19 __

I. PARTICIPATION AND TERMINATION SUMMARY	A. Concurrent Participants	B. All Participants
A. Issued Certificate of Continuing Eligibility (CCE)		
B. TOTAL PARTICIPANTS		
1. All CCEs Redeemed for Retraining		
C. TOTAL TERMINATIONS		
1. Entered Unsubsidized Employment From Retraining		
a. Relocated Out of Area		
2. Entered Unsubsidized Employment From Basic Readjustment Services ONLY		
3. Called Back/Remained with the Layoff Employer		
4. Transferred to Other JTPA Programs		
5. Entered Non-JTPA Training		
6. All Other Terminations		

	II. TERMINEE CHARACTERISTICS AND PERFORMANCE MEASURES SUMMARY	All Terminees
1	Male	
2	Female	
3	29 and Under	
4	30 - 44	
5	45 - 54	
6	55 and over	
7	Less Than High School	
8	H.S. Graduate or Equivalent (No Post-High School)	
9	Post-High School Attendee	
10	College Graduate and Above	
11	Single Head of Household With Dependent(s) Under Age 18	
12	White (Not Hispanic)	
13	Black (Not Hispanic)	
14	Hispanic	
15	American Indian or Alaskan Native	
16	Asian or Pacific Islander	
17	Limited English Language Proficiency	
18	Handicapped	
19	Reading Skills Below 7th-Grade Level	

d. Signature and Title | e. Date Signed | f. Telephone No.

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Figure A-1 (continued)

a. State/Substate Area Name and Address

Report Period

From 7/1/19 ___ To 6/30/19 ___

	II. TERMINEE CHARACTERISTICS AND PERFORMANCE MEASURES SUMMARY - CONTINUED	All Terminees
20	U.C. Claimant	
21	Unemployed: 15 or More Weeks of Prior 26 Weeks	
22	Veteran (Total)	
23	Vietnam-Era	
24	Average Weeks Participated	
25	Average Hourly Wage – Pre-Program	
26	Average Hourly Wage at Termination	
27	Total Program Costs (Federal Funds)	
28	Needs-Related Payments	
29	Total Available Federal Funds	
	III. FOLLOW-UP INFORMATION	
30	Employment Rate at Follow-up	
31	Average Hourly Wage at Follow-up	
32	Average Number of Weeks Worked in Follow-up Period	
33	Sample Size	
34	Response Rate	
	IV. RETRAINING/BASIC READJUSTMENT SERVICES	
35	Received Basic Readjustment Services ONLY	
36	Received ANY Retraining Activity	
37	Less than 26 Weeks	
38	26 or More Weeks	
39	Completed Classroom Training: Basic Education or Attained GED	
40	Completed On-the-Job Training	
41	Completed Other Occupational Skills Training	

Remarks:

Figure A-2

EDWAA FARMERS AND RANCHERS DEMONSTRATION PARTICIPANT INFORMATION FORM

Enrollment date ___/___/___ (mo day yr)

Termination date ___/___/___ (mo day yr)

Local office _____

State _____

1. Respondent's name _____ (Last) _____ (First)

   Address _____ (Street address)

   _____ (City) _____ (State) _____ (ZIP)

   Phone, SSN (___)_____ (Phone) _____ (SSN)

2. Could you tell us the name of two friends or relatives likely to know where you can be reached in the future?

   (1) _____ (Name) _____ (Phone) _____ (Relationship)

   (2) _____ (Name) _____ (Phone) _____ (Relationship)

3. Are you currently living on a farm?

   ☐YES (a) Were you living there on ENROLLMENT DATE? ☐YES ☐NO *[GO TO (b)]*

   (b) In your opinion, compared to the twelve-month period before ENROLLMENT DATE, would you say that the financial condition of your farm business is now:

   ☐Worse off ☐The same ☐Better off ☐Don't know

   ☐NO

4. Are you or someone you live with currently farming or working on a farm?

☐YES	(a)	Is it a farm that you either own or rent?	☐YES	☐NO
	(b)	Do you have any other paid work?	☐YES	☐NO
	(c)	Are you looking for additional work?	☐YES	☐NO
☐NO	(d)	Are you currently employed?	☐YES	☐NO
	(e)	Are you looking for (additional) work?	☐YES	☐NO

[IF A BOLD YES OR NO IS MARKED ABOVE GO ON TO ITEM 5. OTHERWISE, SKIP TO ITEM 6.]

5. IF CURRENTLY EMPLOYED OTHER THAN ON OWN FARM: Now I'd like to ask you about any and all paid employment you might currently have. On average, how many hours per week do you work, and approximately how much do you earn on a weekly basis? Also what kind of work is it? Is it seasonal? *[COMPLETE BOX, REFER TO JOB CODES BELOW]*

	HOURS PER WEEK	WEEKLY EARNINGS ($)	TYPE OF WORK	JOB CODE	SEASONAL?
Job 1					
Job 2					
Job 3					

JOB CODES

1 Professional, technical, and managerial
2 Clerical and sales
3 Service occupations
4 Agricultural, fishery, forestry, and related
5 Processing occupations
6 Machine trades
7 Benchwork
8 Structural work
9 Miscellaneous

Do your employers provide, or have they promised to provide after a waiting period, any of the following benefits:

Health insurance for your self	☐YES	☐NO
Health insurance for your family	☐YES	☐NO
Any retirement benefits other than Social Security	☐YES	☐NO
Any paid vacation or paid sick leave	☐YES	☐NO

Figure A-2 (continued)

6. While you were in the PROGRAM NAME program did you receive training for a specific occupation through either on-the-job training or classroom instruction? ☐YES ☐NO

7. The next few questions are about the twelve-month period before you started the program on ENROLLMENT DATE. During those twelve months were you primarily:

a hired farm or ranch hand	☐YES	☐NO *[IF YES, SKIP TO 12]*
a farmer or a rancher	☐YES	☐NO *[IF YES, GO TO 8]*
the spouse of a farmer or rancher	☐YES	☐NO *[IF YES, GO TO 8]*
a dependent of a farmer or rancher	☐YES	☐NO *[IF YES, SKIP TO 12]*
none of the above, for example	☐YES *[IF YES, SKIP TO 12]*	
a dislocated farmer, or the spouse of a dislocated farmer (SPECIFY_____)		

8. During that same twelve-month period before ENROLLMENT DATE did any family members, including yourself, work for pay off the farm?

☐YES (a) Which family member or members worked, including yourself, and for their most recent job, how many hours per week did they work on average, and approximately how much did they earn on a weekly basis? Also what kind of work was involved. Was it seasonal? *[COMPLETE BOX, REFER TO JOB CODES ON FIRST PAGE]*

☐NO *[GO TO 9]*

FAMILY MEMBER	HOURS PER WEEK	WEEKLY EARNINGS ($)	TYPE OF WORK	JOB CODE	SEASONAL?
respondent					
spouse					
other-1					
other-2					

9. Now I'd like you to think back to your household financial situation for the tax year before you entered the program on ENROLLMENT DATE. *[THIS MEANS THE CALENDAR YEAR BEFORE ENROLLMENT, FOR EXAMPLE, IF A RESPONDENT ENROLLED AT ANY TIME DURING 1990, THE TAX YEAR WOULD BE 1989.] For that tax year, please indicate in which of these broad categories your total household income fell before taxes, that is, what you reported on your federal income tax for the year before you entered the program. Include net farm income, non-farm income, rental income, dividends, interest, and any other income:*

☐ Net loss
☐ Between $0 and $5000
☐ Between $5000 and $10,000
☐ Between $10,000 and $15,000
☐ Between $15,000 and $20,000
☐ Between $20,000 and $25,000
☐ Between $25,000 and $30,000
☐ Between $30,000 and $35,000
☐ Between $35,000 and $40,000
☐ More than $40,000

10 In which of the following categories would you put your farm operation's debt-asset ratio for that same tax year? Was it:

☐Between 0 and 40% ☐Between 41 and 70% ☐Over 71%
☐Or did you leave the farm before the end of the year ☐Don't know

11. Now I'd like you to think back over the five years before you started in the PROGRAM NAME program. At any time during those five years did your household:

not have health insurance for the entire family.	☐YES	☐NO
apply for but not receive a loan for your farm business	☐YES	☐NO
not have enough money for groceries	☐YES	☐NO
file for bankruptcy or receive a foreclosure notice	☐YES	☐NO

END *[THANK CLIENT FOR ANSWERING QUESTIONS, COMPLETE NEXT TWO ITEMS YOURSELF]*

12. Date completed: ____/____/____ (mo / day / yr)

13. Interviewer: _____

Figure A-3

EDWAA FARMERS AND RANCHERS DEMONSTRATION
LONG-TERM FOLLOW-UP

Name _____ Follow-up Month _____

SSN _____ Follow-up Year _____

See instructions for opening text.

1. Are you or someone you live with currently farming or working on a farm? ☐ YES ☐ NO

If YES ask these questions:

(1a) Do you own any of the land you farm? ☐ YES ☐ NO

(1b) Do you rent any of the land you farm? ☐ YES ☐ NO

(1c) Do you farm anyone else's land for pay? ☐ YES ☐ NO

(1d) In your opinion, compared to twelve months ago, would you say that the financial condition of the farm business is now:
☐ Worse off ☐ The same ☐ Better off ☐ Don't know

(1e) Do you have any other paid work? ☐ YES ☐ NO

(1f) Are you looking for additional work? ☐ YES ☐ NO

If NO ask these questions:

(1g) Are you currently employed? ☐ YES ☐ NO

(1h) Are you looking for (additional) work? ☐ YES ☐ NO

(1i) Did any of the following circumstances contribute to your decision to stop farming?

Poor financial condition of the farm business ☐ YES ☐ NO

Personal reasons, such as health, retirement, or family circumstances ☐ YES ☐ NO

Good off-farm opportunities ☐ YES ☐ NO

Other (fill in: _____) ☐ YES ☐ NO

[If a bold yes is checked for 1C, 1E, or 1G, go on to item 2. Otherwise skip to item 3]

2. IF CURRENTLY EMPLOYED OTHER THAN ON OWN FARM: Now I'd like to ask you about any and all paid employment you might currently have. On average, how many hours per week do you work, and approximately how much do you earn on a weekly basis? Also what kind of work is it? Is it seasonal? ***[Complete box, refer to job codes below]***

	HOURS PER WEEK	WEEKLY EARNINGS ($)	TYPE OF WORK	JOB CODE	SEASONAL?
Job 1					
Job 2					
Job 3					

JOB CODES

1 Professional, technical, and managerial
2 Clerical and sales
3 Service occupations
4 Agricultural, fishery, forestry, and related
5 Processing occupations
6 Machine trades
7 Benchwork
8 Structural work
9 Miscellaneous

Do your employers provide, or have they promised to provide after a waiting period, any of the following benefits:

Health insurance for yourself ☐ YES ☐ NO

Health insurance for your family ☐ YES ☐ NO

Any retirement benefits other than Social Security ☐ YES ☐ NO

Any paid vacation or paid sick leave ☐ YES ☐ NO

= = = = = = = = = COMPLETE BOTH SIDES OF PAGE = = = = = = = = =

Figure A-3 (continued)

3. Now I'd like you to think back to your family's financial situation for the last tax year. *[If the current year is 1992, this question refers to 1991. If the current year is 1993, this question refers to 1992.]* For that year, please indicate in which of these broad categories your total family income fell before taxes, that is, what income you would report on your federal income taxes. Include net farm income, non-farm income, rental income, dividends, interest, and any other income:

- ☐ Net loss
- ☐ Between $0 and $5,000
- ☐ Between $5,000 and $10,000
- ☐ Between $10,000 and $15,000
- ☐ Between $15,000 and $20,000
- ☐ Between $20,000 and $25,000
- ☐ Between $25,000 and $30,000
- ☐ Between $30,000 and $35,000
- ☐ Between $35,000 and $40,000
- ☐ More than $40,000

4. Have you lived in your current home since at least July 1, 1990? ☐ YES ☐ NO

If YES, skip to 5. If NO, continue:

(a) How long have you lived in your current home?

_____ Years _____ Months

(b) How long have you lived in this same community?

_____ Years _____ Months

5. Date completed _____/_____/_____
mo day yr

6. Interviewer _____

Appendix B: Supplemental Case Studies

During the Fall of 1991, BPA/SPR contacted JTPA officials across the country in search of programs targeting farmers. The programs we were interested in had to have at least some JTPA involvement and/or address the employment and training needs of farmers and their families. The purpose of this informal search was to find programs to compare with the demonstration projects. Ultimately, we hoped to select programs that were comparable in terms of their local economic and agricultural contexts and target populations. By comparing the numbers, characteristics, services received and outcomes achieved by the clients in the matched comparison project with the demonstration project, we could then estimate the relative effectiveness of particular strategies used in the demonstration.

The survey revealed that only five states operated programs that explicitly served the employment and training needs of farmers. Three states (Wisconsin, Illinois and Nebraska) ran programs with substantial JTPA involvement. Two states (Kansas and Missouri) had programs that are highly relevant for JTPA policies and practices, but where JTPA itself played a relatively minor role. One state (Illinois) opted not to participate in the study. Figure B-1 depicts the four programs described in this chapter.

Although we did not have a large pool from which to select matched comparison programs, the four programs we examined here are not dissimilar to the demonstration projects. All are located in Midwest or Plains states, which share (except for Kansas) borders with one of the demonstration states. All target at-risk or dislocated farming families, or others affected by rural decline. All have an employment and training component. The potential for comparisons remains strong. In this chapter we present brief profiles of each program, including the same information and using the same organization as the profiles for the demonstration descriptions in Chapter IV. These supplemental case studies offer examples of programs for farmers outside of the EDWAA Farmers and Ranchers Demonstration. In Chapter VII, we drew on information about all eight programs to generate insights into the effectiveness of a wide range of strategies and innovations for serving at-risk and dislocated farm families.

Figure B-1

Supplemental Case Study Programs

KANSAS: FARMERS ASSISTANCE, COUNSELING, AND TRAINING SERVICE (FACTS)

CONTEXT

Like most other midwestern states, Kansas' has an overall economy that appears to be in fair shape. As of March 1, 1992, statewide unemployment stood at 4%; it averaged 4.4% in 1991. Certain geographic areas and industrial sectors, however, have suffered disproportionately. At the time of our second site visit, Kansas City, Kansas, one of the state's most urbanized areas, had unemployment of 6.7%, while several counties in southeast Kansas had unemployment as high as 9.3%.

Kansas' employment and population are concentrated in the eastern third of the state, especially in and around the cities of Wichita, Topeka, Lawrence, and Kansas City. Employment in this eastern portion of the state is relatively diversified and includes aircraft and other major manufacturers. Coal mining has been historically important in the state's southeast corner, and many Kansans are also employed in automobile plants across the state line in Kansas City, Missouri. In western Kansas, beef-packing plants and other farm-related businesses provide many off-farm jobs.

Despite this industrial diversity, Kansas remains a heavily agricultural state. It is one of the largest wheat-producing states in the nation and is a significant producer of several other cereal crops. The state is one of the leading cattle producers and dominates the beef-packing industry. Although farms and ranches employ fewer than 5% of the state's employees, agriculture is a major source of income in all but a few Kansas counties.

As in the Dakotas, rainfall in Kansas declines from east to west, while farm size and the ratio of ranches to farms increases. A ten-fold increase in farm and ranch size (from 100-200 acres in the east to 1,000-2,000 acres in the west) is not unusual. According to Census data, Kansas has 69,000 farms producing over $1,000 in commodities per year, and 10,000-12,000 commercial farms with more than $100,000 in sales per year.

During the 1980s, Kansas agriculture experienced the same increases in debt levels and declines in land values and commodity prices that afflicted the rest of the nation's farm economy. Following upon the boom and borrowing of the seventies, the

agricultural crisis of the eighties hit the state hard and its effects continue today in the form of continued debt difficulties among many Kansas farmers and ranchers.

OVERVIEW

Farmers' Assistance, Counseling, and Training Service (FACTS) provides a wide range of services to rural Kansans. As mandated by the Kansas State Legislature in 1985, FACTS' mission is to serve the needs of Kansas farmers, ranchers, agricultural workers, and their families, particularly as they relate to the stresses of threatened and actual dislocation. Although it operates with great autonomy, FACTS is a division of the Kansas State Board of Agriculture and has additional legislative ties to the Kansas Cooperative Extension Service. In contrast with the demonstration projects, FACTS received no JTPA funding for its core services.

FACTS' major form of contact with clients was the FACTS Hotline, a service operated out of their offices at Kansas State University. From this central office, FACTS' nine staff members fielded calls from across the state. In 1991 alone, the FACTS Hotline received 3,291 calls for assistance, and in the first two months of 1992 FACTS had already served 108 clients.

FACTS offered assistance in a range of areas, and their staff included experts in farm law, financial and credit counseling, family therapy, employment and training, and community development. Although these staff members were based in a single location, they offered direct contacts with clients through a referral system that spanned the entire state.

COORDINATION AND INTEGRATION

To provide services throughout Kansas, FACTS maintained an informal network of service providers. As the certified state mediation agency, FACTS employed part-time farm mediators across the state who played an important role in this network. In addition, through a cooperative arrangement with Kansas Legal Services, FACTS funded a Farm Advocacy Program with nine full-time lawyers. But this was only part of FACTS' network. The bulk of the network consisted of counselors and employees of local mental health centers or churches, hospitals, the Job Service, public assistance programs, advocacy groups, and private individuals. Most Kansans active in rural issues were in the FACTS' phone book. These connections were largely informal. Although FACTS paid for the services of its Manhattan staff and mediators and lawyers across the

state, much of its services were accomplished through this informal but highly integrated network of service providers.

TARGET POPULATION AND ELIGIBILITY CRITERIA

Because FACTS was not funded by JTPA, it was free to serve anyone who called the FACTS hotline. Most FACTS clients were in agriculture, but FACTS targeted rural Kansans regardless of their occupation.

OUTREACH AND RECRUITMENT

FACTS depended on its wide-ranging network of contacts and its long-standing presence in Kansas for outreach and recruitment. This included farm mediators, as in other states, but also church groups, advocacy groups, mental health centers, and others. FACTS did not advertise extensively, and given the agency's high caseload, FACTS' staff believed it did not need to.

SERVICES

FACTS provided its clients with experts and services in a range of areas through referrals and phone conversations with FACTS staff. Clients with legal difficulties could speak with FACTS' attorneys, or with Kansas Legal Services' attorneys across the state. For financial problems, clients could talk to FACTS' financial experts or to FACTS mediators based throughout rural Kansas. Family, marital, and emotional problems were addressed by still another FACTS specialist, a family therapist. Most other FACTS services were provided by referral. For example, FACTS regularly referred clients to employment, training, and public assistance programs.

In an analysis of calls received during its first five years, FACTS found that 60% of callers first contacted the agency about financial or legal problems. Employment and retraining needs prompted another 24% of initial calls, while 11% of callers requested help regarding family and marital issues. The remaining 5% sought assistance with agriculture, community development, and a range of other needs.[1]

Although a single issue might prompt the initial call to FACTS, most FACTS' clients required assistance in several areas. As FACTS discovered, financial and legal

[1]*FACTS Program Evaluation*, State Board of Agriculture, Topeka, Kansas, 1991.

troubles were often combined with family and marital difficulties. For this reason, FACTS' staffers often worked together to meet the multiple needs of their clients. FACTS helped their clients restructure their relationships with both their families and their creditors.

OUTSTANDING FEATURES

Several features distinguished FACTS from the other programs discussed in this report:

- **FACTS provided many of its services through a statewide hotline.** Although FACTS had a central office, all of its contacts with clients were conducted over the phone. While this arrangement was not ideal, it offered a number of advantages, chiefly that it was private and convenient for FACTS' clients. In addition, it offered access to a variety of experts on issues important to distressed rural people. Few local programs could duplicate the range of services that FACTS offered.

- **FACTS' services were comprehensive, professional, and highly-coordinated.** While employment and training were not heavily emphasized, FACTS had more comprehensive services than any of the demonstration projects. These included mental health/family counseling, financial counseling, and legal services. Although all programs that work with dislocated and at-risk farm families must face these problems, FACTS' on-staff counselors, financial specialists, and attorneys made it better-equipped than most. When FACTS' staff could not complete these services on the phone, they provided referrals to local mental health centers or called on their own mediators and attorneys statewide.

- **In addition to in-house and contract staff, FACTS had an extensive, statewide network of service providers.** FACTS' director estimated that the agency had between 100 and 150 people who could immediately respond to a request from FACTS to help a client. FACTS worked with counselors, mediators, attorneys, church groups, and activist groups across Kansas.

- **FACTS was an experienced, well-established program.** FACTS began in 1985, near the peak of the farm crisis, and most of their staffers were

with them from the early days of the program. This history and continuity seem to be a component in FACTS' success. Rural Kansans knew what FACTS was, and how the program could help. Correspondingly, FACTS' staff knew who they could call on all over the state, and they had time to develop experts both in-house and in the field.

MISSOURI: GAMM VOCATIONAL TRAINING PROGRAM

CONTEXT

With approximately 5.2 million residents, Missouri is more populous than any of the states in the demonstration. Correspondingly, Missouri's economy is also the most industrial and most diversified. Missouri is a prominent manufacturer, and ranks second among all states in automobile production. Food processing is another major industry. But most of Missouri's economic activity centers around St. Louis and Kansas City, the state's two largest cities. Elsewhere, mining, tourism, and agriculture drive much of the economy.

Outside of the St. Louis and Kansas City metropolitan areas, Missouri is a very rural state. The state's two biggest crops are soybeans and corn, but a variety of other cereal crops are also grown. Other significant agricultural activities include feed lots, meatpacking, cattle raising, feeder pigs, eggs, and dairy production.

In the northeast corner of the state, where the Gamm Vocational Training Program operated, agriculture predominates and corn, soybeans, and cattle are the major sources of farm income. Almost 7,500 farms are active in this ten-county area, which has a population of almost 90,000. Although Missouri's economic diversity helped the state through the farm crisis of the 1980s, this agriculturally-dependent and remote area suffered disproportionately, and continues to experience a general rural decline. Between 1978 and 1987 more than 11% of the region's farms were lost. Correspondingly, northeast Missouri's population dropped by 10% in the 1980s, while the state's population remained relatively constant. Per capita income is lower, too, than the statewide average, and this relation also holds for projected employment growth.

OVERVIEW

The Gamm Vocational Training Program began in 1986 as a state-funded, locally-operated program to help retrain farmers in northeast Missouri dislocated by the farm financial crisis of the mid-1980s. The program started as an initiative of the state Department of Elementary and Secondary Education (DESE), and was spearheaded by Grover Gamm, a northeast Missouri farmer and a member of the state Board of Education. During the early 1980's, Gamm recognized that many of his neighbors who were losing their farms would need retraining to find off-farm employment. Northeast Missouri, however, had few adult education or re-employment opportunities, and was

still reeling from the 1982 recession. Gamm lobbied the state, and succeeded in winning $158,000 of state funding, and sponsorship by DESE, for a vocational training program for dislocated farmers.

Gamm has increased its state funding every year. It has also expanded its income sources to include federal Perkins funds. In one recent fiscal year, Gamm received approximately $250,000 in state funds and an additional $250,000 in federal Perkins Act funds. This latter source, however, was expected to decline to $75,000 in the following fiscal year due to changes in the formula used to allocate Perkins funds.

The Gamm program originally served a four-county region but after 1986 it expanded to cover ten counties across northeast Missouri. Dislocated farmers also became a smaller proportion of the Gamm caseload since the early days of the program, as the relative demand from this population declined. Although Gamm began as a program for dislocated farmers, at the time of our site visits this group comprised only 10% of its caseload. Gamm's participants came from a variety of occupational backgrounds.

Services available to Gamm participants included assessment, career counseling, job development and job placement assistance, vocational training, and a personalized version of on-the-job training called Individualized Contracted Instruction (ICI). In addition to these services, Gamm also ventured into economic development, and provided assistance to small business operators throughout its service area. Gamm's use of ICIs supported this economic development strategy. By coordinating training services with the needs of local employers, Gamm created jobs while training participants.

Gamm provided most of these services by referral to coordinating agencies. In this manner Gamm acted more like a brokerage agency than a direct service provider. This arrangement was reflected in Gamm's staffing. Although the program had two administrative staff members and two staff members specializing in assessment, Gamm's director managed all of the program's work with clients and coordinating agencies.

COORDINATION AND INTEGRATION

The Gamm staff saw themselves as part of a network of service organizations fighting for the survival of the rural economy in northeast Missouri. Gamm worked closely with employment and training organizations to support activities intended to stabilize the rural economy.

Gamm coordinated with JTPA in several significant ways. First, staff worked with local SSAs in the past to jointly serve clients using state 8% funds set aside for coordination activities. This strategy allowed Gamm to increase its services in 1989 and 1990, but after 1991 this option was not available due to the loss of these funds. Second, since its inception, Gamm has referred eligible clients to JTPA whenever possible, to reserve its own funding for clients not eligible for JTPA services. These referrals included both Title II-A and Title III clients.

Gamm's coordination with JTPA took a variety of forms. For example, if a JTPA client was in a two-year program, and the SSA was unwilling to fund both years, Gamm paid for the second year of training. Conversely, since Gamm funds could only be used for tuition expenses, JTPA often paid for books and supplies for Gamm clients. JTPA-eligible clients could also receive supportive services, including child care and transportation, while their tuition was paid by Gamm. Gamm also worked closely with local Employment Security offices, which provided the program with local labor market information and referrals.

Gamm also worked closely with several local training providers. This coordination increased since the program began, in part because the original four-county service area had no training facilities. Gamm's expansion to a ten-county area gave it greater access to community colleges and vocational-technical schools, and it referred clients to a number of these. In total, Gamm sent clients to approximately 30 different training providers, including schools in Illinois and Iowa.

This range of coordination with other agencies did not come easily. Gamm staff worked hard to increase communication and cooperation with a variety of organizations in their area since the start of the program. In doing so they developed a network of service providers committed to maintaining and improving the economy of northeast Missouri. These efforts also paid off in the form of increased referrals and cooperation, and helped make Gamm a familiar and well-respected program throughout its service area.

TARGET POPULATION AND ELIGIBILITY CRITERIA

Although Gamm originally targeted displaced farmers, they expanded their eligibility criteria to serve the rural poor in general. Gamm staffers responded to the ripple effect of farm closures on the community at-large, recognizing the needs of the

entire rural community. To meet these needs, Gamm elected to serve anyone who was at least 19 years old, resided in the ten-county service area, and had a limited income.

The Gamm program estimated that about one-third of its clients were farm-related, either belonging to a farm family or having employment on a farm. Of the 347 clients served in one recent fiscal year, 122 were farm-related. Approximately 10% of these clients were actually farmers, while the remaining farm-related cases were spouses and dependents of farmers, or farm employees.

OUTREACH AND RECRUITMENT

In recent years, Gamm distributed between 25,000 and 30,000 flyers each year to local grocery stores, post offices, government agencies, churches, financial aid offices, schools, and other organizations in its ten-county service area. Gamm also used direct mail, print advertisements, and radio advertisements to reach potential clients. Budget cuts have since limited these efforts, and the program now relies on word-of-mouth referrals and its reputation in the community for attracting clients.

Gamm also continues to hold information and enrollment workshops. These workshops provide information to two audiences -- coordinating agencies and prospective clients. They occur once a year in the spring, in each of the 10 counties in which Gamm operates.

SERVICES

The Gamm Program provided new clients with a thorough assessment of skills and interests, labor market demand, and preparedness for vocational training. The assessment lasted four to six hours and addressed motivation as much as abilities and interests. Following the assessment, Gamm clients could elect to participate in one of two programs: vocational training or Individualized Contracted Instruction (ICI), a customized version of on-the-job training. The majority opted for the former.

Of the 347 clients served in one recent fiscal year, 268 participated in a vocational training program. Typically, over 90% of Gamm clients in classroom occupational training completed their programs. Business and health-related training programs attracted the greatest numbers of enrollees. The Gamm program paid up to $1,600 for a one-year program or $3,000 for a two-year program. The program conditioned its payment of tuition upon satisfactory academic performance, and staff members visited each vocational training participant at least once per semester.

Regarding ICI, employers usually contacted Gamm when they needed an employee. If Gamm had a client who was appropriate for the position and who was interested in the training, Gamm worked with the employer and the employee to negotiate a training agreement. If Gamm did not have an appropriate client, they advertised for the employer in the interest of local economic development. In one recent fiscal year, 79 of 347 clients participated in ICI.

ICI resembled OJT in many respects. Gamm reimbursed employers for a portion of trainee wages, and expected employers to retain trainees in unsubsidized positions after a fixed period. But Gamm's ICI differed from traditional OJT in its emphasis on employer responsibilities to train the individual, and on arranging a close match between the needs and interests of trainees and employers. Gamm staff followed-up on ICI trainees extensively through monthly reports from both clients and employers, and monthly visits to the work site.

Gamm Program staffers described ICI as a useful tool for rural economic development. By promoting its use by local entrepreneurs, Gamm created jobs in businesses with strong ties to the rural community. To address this same goal, Gamm also promoted entrepreneurial activity in alternative crops, including shiitake mushrooms. At least one farmer working with Gamm gave up his traditional farming work to concentrate on mushrooms.

Placement services were also available to all Gamm clients through the Employment Service and through job listing maintained by the program. Gamm staff assisted training graduates and clients interested in immediate employment with job development and job placement.

In one recent fiscal year, the Gamm program placed 270 clients in permanent positions. Of the 270 placed, 149 had participated in classroom occupational training, 76 had participated in ICI, and 45 had received some other form of assistance (assessment only, job search assistance, etc.).

OUTSTANDING FEATURES

Northeast Missouri's Gamm Vocational Training Program differed from programs operating under the EDWAA Farmers and Ranchers Demonstration in several respects. Its goals, target population, services, and overall approach to rural decline all diverged from the demonstration programs. But despite these differences, the Gamm Program still had a number of features which may prove useful to JTPA programs:

- **The Gamm Program assembled funding from several sources.** In addition to support for training from state general funds, Gamm also received Perkins Act funds for its services. In the past, Gamm received state JTPA funds from the 8% set aside for coordination activities. The Gamm Program was enterprising in obtaining funding from a variety of sources.

- **Gamm was a brokerage agency, linking a broad network of service providers with rural Missouri residents.** In fact, Gamm had few staff who provided direct services to clients, opting instead to refer clients to existing organizations. Gamm also conducted most of its outreach through these coordinating agencies.

- **Gamm promoted quality control throughout its program.** Gamm applicants completed four to six hours of vocational evaluation and a personal interview, so that abilities, work values, interests and, most importantly, motivation could be assessed. Gamm's goal was to give grants to clients who would make the most use of and get the most benefit from training. In addition, Gamm monitored its classroom training and ICI placements very closely, insuring that these placements met the needs of Gamm clients.

- **Gamm was a locally-operated and controlled program.** Although nominally under the authority of the state Department of Elementary and Secondary Education, Gamm operated independently in its own circumscribed area. In this sense it resembled a community-based organization more than an employment and training agency, and had the flexibility to change as it saw fit.

NEBRASKA: THE AGRICULTURE-IN-TRANSITION PROGRAM

CONTEXT

Over 96% of the land in Nebraska is devoted to farm and ranch operations and in 1991 the state was the fourth largest in terms of cash receipts from farming. The state is first in livestock production and slaughter and alfalfa and bean production, and is a top producer of corn and sorghum. Nebraska's high prairie land sits on top of one of the largest aquifers in the nation, giving Nebraska farmers -- unlike their neighbors to the north -- access to bountiful water supplies.

Conditions for farmers in Nebraska have been relatively favorable in recent years. In 1991, for example, the Nebraska Department of Agriculture mediated fewer than 80 farmer-lender disputes. Nevertheless farmers and ranchers in Nebraska have seen the same changes in their sector as has the rest of the region. In 1950 Nebraska had 109,000 farms with an average size of 444 acres; in 1991 there were 57,000 farms with an average size of 826 acres. Although Nebraskan farms rebounded slightly in the late 1980s, approximately 2,000 farms a year went bankrupt during this decade.

The Cornhusker state's non-agricultural economy, by contrast, is relatively strong. The unemployment rate has been consistently among the lowest in the nation, and non-farm growth has been among the highest. Wholesale/retail trade and services are the largest non-agricultural sectors, employing over 351,000.

OVERVIEW

The Ag-in-Transition Program started under a national Title III discretionary grant in 1985 at the height of the farm crisis. Its funding sources changed since its inception, but the program continued. The product of close coordination between several state agencies in Nebraska (Job Training of Greater Nebraska, Department of Agriculture, Rural Mental Health Services under the Department of Public Institutions and community colleges), Ag-in-Transition operated out of Ag Action Centers, based in community colleges in Scottsbluff, North Platte, Norfolk, Grand Island, and Beatrice. It was administered by the Greater Nebraska SSA, covering all 88 of Nebraska's rural counties. Services were available to both dislocated and at-risk farming families as well as other persons whose employment was threatened by rural decline. The Ag Action Centers functioned as the first point of contact for most participants, providing assessment, counseling and referrals to classroom training, OJT or job-search assistance.

Approximately 600 Nebraskans were assisted by the Ag Action Centers between the inception of Ag-In-Transition and our last site visit in 1993.

COORDINATION AND INTEGRATION

Ag-in-Transition was the product of extraordinarily close coordination between organizations at the state and local levels, and across most dimensions of the program, including funding, recruitment, outreach, service delivery and data collection. The program was administered by one of Nebraska's three SSAs, Job Training of Greater Nebraska; it also operated the EDWAA program and other JTPA programs. Primary funding came from a portion of U.S. Department of Agriculture allocations and two-year grants from general state revenues. Community Outreach and Mental Health Training also provided no-charge counseling to Ag-in-Transition participants. Finally, the community colleges that housed the Ag Action Centers offered substantial in-kind services and staff time.

TARGET POPULATION AND ELIGIBILITY CRITERIA

The Nebraska model was a two-pronged approach to serving farmers, reflecting the dual objectives of addressing the needs of struggling farmers who wish to stay on the farm as well as those who need to leave farming. Thus, both at-risk and already dislocated farmers and farming families were served. Several years ago the program expanded to include all individuals affected by rural decline. In general, farmers who were suffering financial or emotional hardship but wished to stay in farming were served with Ag-in-Transition funding. Farmers who were on their way out of farming were served under EDWAA funding.

Eligibility guidelines for EDWAA funding were relatively liberal in Nebraska. Farmers could be served after showing they had experienced one of the following:

- Receipt of a notice of foreclosure or intent to foreclose;
- Failure to return a profit during the last tax period;
- Entry into bankruptcy proceedings;
- Failure to make payments on loans that were secured using farm assets as collateral;
- Failure to obtain operating capital for farming operations; or
- A debt/asset ratio of 70% or greater.

To receive counseling, financial evaluations or other services through the Ag Action Centers, farmers or other rural residents needed to simply show proof of financial hardship.

The program stipulated that at least 50% of the participants be farmers, farm spouses or dependents. In recent years, Ag-in-Transition staff noticed a steady drop in new enrollments in the program among farmers and their families, so that a greater proportion of participants were non-farmers whose employment was adversely affected by rural decline. Staff attributed this to relatively favorable conditions for agriculture in recent years.

OUTREACH AND RECRUITMENT

The Ag Action Centers were primarily responsible for outreach and intake. The single most effective recruitment tool for the program was the Farm and Ranch Financial Evaluation, an intensive evaluation of a farm's financial situation, offered free of charge to any financially stressed farmer. The Centers also used brochures and public service announcements to get the word out. Several other programs that attracted farmers were located at the community colleges where the Centers were housed, including farm management and extension courses. Farmers who inquired about these courses were referred to the Ag Action Center staff, and many eventually enrolled in the program. Finally, the personal networks of key staff and the positive reputation the Centers had built over the last few years proved to be key for successful outreach in the Nebraska program, as they were for other programs.

SERVICES

Assessment and referrals were the primary services provided directly by the Ag Action Centers. All enrollees attended a comprehensive, four-to-five day course that alternated testing with interviews, evaluation and counseling. Counselors used the results of the tests, and other knowledge they gained from spending this time with the participant, to develop a plan of action tailored to the unique circumstances of each individual.

In addition to the counseling and assessment provided directly in the Ag Action Centers, participants were offered, either through JTPA funding or Ag-in-Transition funding, a variety of other employment and training options and related services, including:

- Special seminars in stress/crisis management, legal issues, job search, alternative crops, entrepreneurship, small business management and marketing;
- Financial support for tuition, books and fees;
- Emergency relief (transportation, child care food, lodging, medical services and crisis mental-health counseling);
- Rural development assistance (e.g., entrepreneurial training)
- Referrals to training (occupational skills, basic skills remediation, OJT, work experience); and
- Job-search assistance and job placements.

Between July 1990 and April 1992, Ag-in-Transition served 342 clients, not all of whom were farmers. Most were male (66%), white (98%), between 30 and 44 years old (50%), and had a high school diploma or further education (69%). A large number were economically disadvantaged (40%).

By April 1992, the program had terminated 205 of these 342 clients, and 184 of these -- 90% -- had found off-farm employment. Most of those who found jobs kept them: 97% were still employed five months later. The average wage at placement was $6.50.

OUTSTANDING FEATURES

The Ag-in-Transition program was a time-tested model of how to meet the full range of emotional, informational and training needs of Nebraskans impacted by chronic decline in the agricultural sector. Specifically:

- **Ag-in-Transition became an integral and stable part of overall state policy to help farmers.** Sustained financial and political support from the state legislature accounted for some of this success, but Ag-in-Transition also benefited from exceptional coordination between Nebraska's agriculture and training agencies. Although these agencies' counterparts in neighboring states sometimes competed more than they cooperate, in Nebraska they worked together to make Ag-in-Transition a stable and well-established program.

- **Ag-in-Transition creatively incorporated and leveraged available resources to provide a rich array of choices to its participants.** By

combining funding from a variety of sources, including in-kind contributions from community colleges, the program maximized its potential to reach and serve rural Nebraskan residents despite dwindling JTPA allocations.

- **Ag-in-Transition addressed the dual distribution of distressed farmers with a two-track program.** Those who were trying to leave farming received services funded by EDWAA and those who were trying to stay in it received services funded by Ag-in-Transition. The Nebraska model was thus free of the dilemma faced by other states of choosing between these two target populations.

WISCONSIN: FARMERS IN TRANSITION

CONTEXT

A vast supply of natural resources and a highly diversified economy lie at the heart of Wisconsin's relative economic vitality. Approximately 41% of the state's land area is devoted to agricultural activities while forests cover another 37% of the land. Abundant water supplies complete the picture of a state well endowed with natural riches.

Manufacturing began in the 19th century as a response to the growing needs of midwestern forestry, mining, and agriculture, and has steadily grown in importance. Prominent sectors include production of small engines, power cranes, hoists, and other industrial equipment. Manufacturing is largely concentrated in the southeastern corner of the state around Milwaukee, and provides about 550,000 jobs.

Tourism, mining, construction, trade, public utilities and government account for nearly 70% of all Wisconsin employment. The fastest-growing sectors in recent years have been the trade, finance and service sectors.

Yet agriculture remains a major component of Wisconsin's economy. Cash receipts from farm marketings totaled $5 billion in 1988, with dairy products constituting almost 60% of the income received by farmers. "America's Dairyland" is a national leader in the production of milk, cheese, butter and other milk products. About 20% of farm income derives from the sale of cattle, calves, hogs, poultry, eggs and other livestock. Cash crops, including sweet corn, green peas, snap beans and beets are the third most lucrative farming activity in Wisconsin.

As of 1990, Wisconsin had about 80,000 farms, representing a decline of about 20,000 farms since 1975. The net farm income has steadily increased, as has the average farm size. Farms are relatively small in Wisconsin, with an average size of only 220 acres, compared to the national average of about 461 acres.

The Farmers in Transition project operated in West Central Wisconsin, an area covering 10 counties. La Crosse is the largest city (pop. 50,000) and is a relatively fast growing metropolitan area. An estimated 12,400 farms operated in the Farmers in Transition service area; the vast majority are in dairy production. Average land values in this area were low compared to the rest of the state, ranging from $500 to $749 an acre.

In non-farm sectors, the West Central SSA was doing relatively well, with a moderate rate of growth in manufacturing and retail trade industries. The unemployment rate at the time of our site visits was slightly higher than the state average.

OVERVIEW

State JTPA officials began to focus on the problems of farmers in early 1985, at the height of the farm crisis. Prompted by the increasing severity and visibility of the crisis, state officials contacted neighboring states which were also beginning to mobilize resources to aid farmers facing bankruptcy. In March 1986, in a special session of the state legislature, Wisconsin Act 153 was passed, authorizing state funds to assist individuals affected by mass farm dislocation. This was one of the earliest state responses to the farm crisis in the Midwest, and Wisconsin has continued to take the lead in supporting efforts to help financially stressed farmers.

State funding for services to farmers expired in 1988, but Wisconsin's SSAs continued to serve this population through national discretionary grants. Farmers in Transition was the fourth such program in Wisconsin, and the second operated in the West Central PIC. Launched in July 1990, the program was funded at approximately $325,000 for two years, and was administered by the PIC, based in La Crosse. Farmers in Transition offered dislocated farmers and their families basic readjustment services and a wide array of occupational skills training options. Most training was long-term. Two specialized staffers were dedicated to the project.

COORDINATION AND INTEGRATION

Farmers in Transition worked closely with two organizations, the Department of Agriculture and the vocational school system. The linkages between the program and the Department of Agriculture were several, but were primarily conducted through the Farmers Assistance Program in the Department of Agriculture. First, the Farmers Assistance Program ran a Hotline for farmers to call for almost any type of assistance. The Hotline's staff were well aware of Farmers in Transition, and frequently made referrals to the program. Second, the Farmers Assistance Program operated two special outreach programs for farmers, the Agricultural Mediation Service and the Farm Credit Counseling Service. Volunteers for both of these programs worked in every rural county in the state. Cross-referrals between Farmers in Transition and these two programs occurred regularly.

Relations between the state Department of Agriculture and the Farmers in Transition Program were strong, but the relations between the Department of Agriculture and the state Department of Industry, Labor and Human Relations (DILHR) were much weaker. The Farmers Assistance Program staff believed that DILHR staff working directly with farmers in the rural SSAs had a good understanding of farmers' problems, which their supervisors in the state capital lacked.

The Farmers in Transition staff worked closely with staff from the vocational-technical colleges in the SSA, and were often co-located on campus. The two programs worked so closely that, from the perspective of the participant, they appeared to be one seamless program.

TARGET POPULATION AND ELIGIBILITY CRITERIA

To qualify for services funded under Farmers in Transition, farmers were required to document that they were going out of business as indicated by one or more of the following events:

- Receipt of notice of foreclosure or intent to foreclose,
- Filing of petition for bankruptcy,
- Failure to obtain capital necessary to continue operation, or
- Delinquent payments on a loan to finance the business.

Although the formal criteria for eligibility were similar to other programs described in this chapter, application of these guidelines in Wisconsin was far stricter. The program's policy was to avoid serving farmers who were only at risk of dislocation. Farmers who wished to keep the farm were directed elsewhere for help, often to the Farm Assistance Program run by the Department of Agriculture. Although most potential clients were still living on the farm at the time they first contacted the program, they were required to be in the process of leaving it to qualify for services.

The impact of this policy on the performance of the program was significant. First, unlike the demonstration projects, the Wisconsin program had a much smaller pool of eligible clients from which to draw. Second, potential participants were more likely to have accepted the loss of the farm, and were, as one staff put it, "ready to act." And third, the program did not pay for many of the services that the demonstrations offered to at-risk farmers, including farm management courses.

OUTREACH AND RECRUITMENT

Farmers in Transition had two staff coordinators whose time was fully dedicated to the program. One was a dislocated farmer, a former participant in an earlier PIC program and well-known in the local community. In addition to working for the PIC, this veteran of farmer programs also volunteered for the Farm Credit Counselor program in his area. Farmers who contacted the Department of Agriculture's Farm Assistance Hotline for help could be referred to their local farm credit counselor for a free financial assessment. The coordinator often visited these farmers, at first wearing his "counselor hat." If he found that the farm was in severe trouble, he often switched hats and introduced the Farmers in Transition program to the farming family. The Hotline and the farm credit counselor network then provided a steady flow of potential participants for the program.

Shortly after Farmers in Transition began in the summer of 1990, an intense outreach and publicity campaign was launched. Through frequent appearances on farmers' TV and radio programs, newspaper articles and press releases, public meetings and contacts with banks and extension agents, the two coordinators publicized the new program during the first four months. After the initial intense promotion, the program did little aggressive outreach. The only subsequent outreach performed by the coordinators was to periodically review the farm auction listings for names of potential clients. Enrollments did not quite achieve their planned levels: by March 1992, 166 farmers were enrolled, versus 199 planned.

SERVICES

Most intake, eligibility determination, orientation, assessment and counseling was done on the farm, with as many family members as possible present. Because the program targeted farming families who had already decided to leave farming, staff spent far less time grief counseling and hand-holding than in some of the demonstration states. New participants tended to go directly into training or job search.

Once the participant was enrolled, he or she was encouraged to participate in long-term training at one of the two technical colleges in the SSA. Reflecting the state policy to encourage long-term training, Farmers in Transition operated with the premise that dislocated farmers need substantial retraining for a chance at gainful reemployment. This approach was enhanced by the presence of high quality vocational and secondary education throughout Wisconsin. In addition, funding for training in the farm project

was substantially higher than for other Wisconsin EDWAA participants. Program staff attributed this feature to the program's capacity to recruit clients. Two-year training was the norm, but four-year degree programs could be funded for participants who already had two years of post-secondary education, or who had access to supplementary funding.

The West Central PIC avoided OJT both for farm clients and other JTPA participants -- only two farmers were placed in OJT. Job search assistance and development was usually performed by the two Farmers in Transition coordinators, or other PIC staff. Very few participants were referred to the local Job Service office. Participants were offered unlimited gas mileage, and this was the most commonly needed support service.

The Farmers in Transition program's enrollments and termination rate were somewhat short of the goals for the program. By the end of March 1992, 166 clients had enrolled in the program and approximately 74 had been terminated, yielding a termination rate of about half the goal -- only 44%. Program staff explained this result as due to the high number of participants involved in long-term training, and claimed that their termination rate would meet planned levels in later months. Of the 74 participants who terminated, 64 had found employment. A followup survey completed during the early months of 1992 indicated a 90% retention rate 50 days after termination.

Of those participants who were employed at termination, 54 had jobs with at least some benefits. The average wage at placement was $6.36 an hour. A survey of former participants showed that most clients were highly satisfied with the program.

OUTSTANDING FEATURES

A number of features of the Wisconsin model stand out as either unusual and potentially useful as models for replication in other rural SSAs.

- **Farmers in Transition was centralized at the administrative level but decentralized at the level of service delivery.** The state Department of Industry, Labor, and Human Relations played an active role in the design of the program, setting standards and policy (such as eligibility requirements) and monitoring progress. At the local level, however, the West Central PIC set local policy, managed the day to day operation of the program, and provided support to the two staff members. Several field offices, located in small towns throughout the SSA, also supported

these two staffers in providing services as needed to participants. Linking the offices and the PIC together, these two staff traveled throughout the SSA, working closely with farmers and bringing services to them. The Wisconsin model balanced local autonomy and flexibility with leadership, guidance and support from the state.

- **Farmers in Transition was unique among the eight programs discussed in this chapter in its explicit exclusion of farmers who wished or appeared able to remain on the farm.** Only farmers and their families who were clearly on the way out of farming were eligible for services. Although some staffers indicated their preference for more liberal eligibility criteria, the rules were followed carefully.

- **Farmers in Transition enjoyed the support of a state government that has historically taken the needs of farmers seriously.** Since the passage of Act 153 in 1986, Wisconsin has devoted substantial resources to struggling farmers, both to retrain those leaving farming, and to provide counseling and financial assistance to those wishing to remain on the farm. Specific policies within the JTPA system also indicated a commitment to the rural population. The allocation formula for the distribution of state EDWAA funds, for example, assigned a weight of 12% to the farm and ranch hardship factor, a high value even among agricultural states. This heavy weighting persisted despite heated debate on allocation factors in Wisconsin. In addition, rural SSAs also had access to 10% funds, which are allocated partly on the basis of farm and ranch hardship factors. But most importantly, the state acknowledged the severity of farm dislocation by allowing SSAs access to 40% rapid response funds to address farmers' needs. Some of these monies were used to conduct a survey to count the number of farmers who were in need of employment and training services, in an area encompassing three SSAs.

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